Agenda

4 September 2025
AUDIT COMMITTEE

Steeple Suite, Falkirk Campus 4.30pm

AGENDA

		Publish on Web?	Type	Lead
1	Apologies, Declaration of Interests and Changes to Members' Register of Interest	N/A	Discussion	Rhona Geisler
2	Draft Minutes and Matters Arising of meeting of 15 May 2025	Yes	Approval	Rhona Geisler

(Elements of paper 2 withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)

3	Review of Action Tracker	Yes	Discussion	Alison Stewart
4	Review of Committee Remit	Yes	Approval	Alison Stewart
5	Audit Needs Assessment	Yes if approved	Approval	Wbg services
6	Governance Statement	No	Approval	Alison Stewart

(Paper 6 is 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	Yes	Approval	Rhona Geisler
8	National Fraud Initiative 2024-25 Results	Yes	Discussion	Senga McKerr
9	Internal Audit Annual Report	Yes	Discussion	Wbg services
10	Presentation of Internal Audit Reports 10.1 Commercial Income 10.2 Cyber Security 10.3 Sustainability& Carbon Management 10.4 Student Support 10.5 Follow up review	Yes	Discussion	Wbg services
11	Progress Report on Audit Recommendations	Yes	Discussion	Stephen Jarvie
12	Risk Management	Yes	Discussion	Alison Stewart
13	Review of Risk 13.1 Review of Audit Strategic Risks	Yes Yes	Discussion Discussion	All All
14	Any Other Competent Business	Yes	Discussion	All

| 15 | Forward Agenda | | Yes | Information | Alison Stewart |

Teams, 4.30pm

Present: Lorna Dougall (Chair)
                  Grace Hepburn
                  Liam McCabe

In Attendance: Kenny MacInnes, Principal
                  Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
                  Colin McMurray, Vice Principal Business and Innovation (VPBI)
                  Stephen Pringle, Wbg Services
                  Michael Speight, Forvis Mazars
                  Graeme Robertson, Head of IT (HIT) for A/24/039
                  Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)

The Chair welcomed Grace Hepburn to her first meeting of the Audit Committee.

A/24/034   **Apologies, Declaration of Interests and Changes to Members' Register of Interest**

Apologies were noted from Rhona Geisler

A/24/035   **Draft Minutes and Matters Arising of meeting of 21 November 2024**

Members considered the minute of the meeting of 21 November 20254

a) Members approved the minute of the meeting.

A/24/036   **Review of Action Tracker**

The VPFACA presented the action tracker, noting the only item on the tracker at this time was the action to conduct a session with the Board on risk management. She updated members on discussions with the Board Chair and informed them that the intention was to have this session in September 2025.

Members commented that there had been a previous action regarding Board fraud awareness, noting that a paper had been presented to the Board at the recent meeting. They asked the VPFACA to check who was in attendance at the meeting and to contact any members who were not at the meeting with a copy of the paper.

a) Members noted the content of the action tracker

A/24/037   **External Audit Plan**

Michael Speight (MS), Forvis Mazars, presented the draft plan for members consideration. He confirmed that the proposed timescale for the audit had been agreed by the College.

He highlighted the risks that would be considered as part of the audit and noted some sector level issues such as early retirement provision which had received a late accounts direction last year but that it was expected that the guidance should be issued in time this year.

He also discussed the uncertainty at this time regarding the timeline for job evaluation in the sector.

Members discussed the matter of financial sustainability over the medium to long term and asked if these challenges would be included in the audit report.

MS noted that there were both sector wide and some Forth Valley College specific matters that would be reflected in the report. He confirmed that, while they would maintain editorial control, the narrative used would be informed by the College to ensure that there is consistency of messaging.

a) Members approved the External Audit Plan

A/24/038 **Presentation of Internal Audit Report**

Stephen Pringle (SP) presented two audit reports.

Fraud Awareness

He reported that this audit received an overall rating of strong, with a range of good practice identified and only 3 low grade recommendations which is below the sector average.

He outlined the recommendations to members and the VPFACA confirmed all recommendations had been actioned.

The Principal noted that this report may be of interest to Audit Scotland in relation to their Section 22 report as it shows the College's systems have been reviewed by the internal auditors.

a) Members noted the content of the report

Corporate Governance

SP informed members that this audit has also received an overall rating of strong, with several examples of good practice and only one low recommendation, which was again below the sector average.

Members welcomed the recommendation in relation to the creation of a Board Development plan.

The Principal noted that this would be another report of interest to Audit Scotland for the same reasons listed above.

a) Members noted the content of the report

A/24/039   **Quarterly Update on Cyber Security Landscape**

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Members commented that they would like to see cyber security be a prominent point of discussion at the September Board risk session.

a) Members noted the content of the report

A/24/040   **ESF Independent Report Recommendations**

The Principal presented a report on the progress against the recommendations made in the independent report on ESF which had previously been presented to the Committee.

He confirmed that the recommendations had been actioned and were complete.

Members queried whether it would be possible to see a calendar of key timelines within the College. They stressed that there was not a request to become involved with operational level discussions but that it would be an assurance to see key milestones being met.

The Principal noted that a College annual planning cycle was being developed and this would be looked at.

a) Members noted the content of the report

A/24/041   **Fuel Change Lessons Learned Recommendations**

The VPFACA reported that the recommendations in relation to this matter had been completed with the exception of those that were ongoing by virtue of the recommendation and except for the recommendation in relation to the setting of the Principals' objectives as this should be considered at a meeting of the Remuneration Committee.

Members noted that this did not necessarily require a meeting and a paper could be created and circulated to members instead. The VPFACA agreed to prepare a paper and circulate it to members of the Remuneration Committee.

She noted that there still needed to be consideration on how staff and students can contribute to the setting of the Principal's objectives.

Members agreed that, while this still needed to be considered, it was more appropriate for the Remuneration Committee to do so and that this recommendation was considered as complete in relation to the Audit Committee.

Members also agreed that the Chair should write to the Chair of the Remuneration Committee to make them aware of the decision taken.

a) Members noted the content of the report.

A/24/042   **Progress Report on Audit Recommendations**

The CGPO presented members with an update on progress against audit recommendations. He noted that a number had been completed and outlined the reasons for those that had still to complete.

He also noted some changes in the recommendation end dates and outlined the reasons for this

a) Members noted the content of the update

A/24/043   **Risk Management**

The VPFACA presented members with the overview on the College strategic risks noting that, as per the new process, the risk detail was available via Admincontrol.

She highlighted the need for a refresh of the register at the September 2025 session and confirmed that there had been no changes to the scores for any of the risks since the last meeting.

Members queried where cyber sat in the register and the CGPO noted it was a component of two of the risks on the register. Members commented that cyber was worth being a separate amber risk given the impact on the College of an incident and that the major incident risk could also be reviewed.

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a) Members noted the content of the report

A/24/044   **Review of Risk**

Risks were highlighted in the meeting discussion and included in the minute above

A/24/045   **Any Other Competent Business**

None notified

A/24/046   **Forward Agenda**

The forward agenda was attached for information.

Meeting	Date	Minute Ref	Action	Assigned to	Deadline to report?	Status	Output Required	Comment
Audit	05/09/24	A/24/013	College to review the 'treatment' options used for Risk Management to allow for reflection of mitigation. Consider a session with members on risk treatment	Alison Stewart	February Board	In Progress	Risk session to be arranged for the Board of Management.	Presentation on Risk to be schduled for September 25 Board development day.
Audit	15/5/25	A/24/036	Alison to check whether members who were not in attendance at the meeting where fraud awareness was discussed have seen the paper	Alison Stewart	TBD	Completed	Checks performed and paper shared	
Audit	15/5/25	A/24/039	Cybersecurity to be included in September risk session as a prominent item	Alison Stewart	26/09/2025	In Progress		Will be included in risk session at Setember 25 Board development day
Audit	15/5/25	A/24/040	Annual calendar of key timelines/milestones within the college	Kenny MacInnes	TBD	In Progress		Currently work in progress. An update will be brought to the November Audit Committee.
Audit	15/5/25	A/24/041	Remuneration committee to be asked to look into staff and student input into the Principal's objectives	Abhi Agarwal/Alison Stewart	TBD	In Progress	Remuneration Committee to consider inpurs to Principals' objectives	

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. Key Considerations

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. Resource Implications (Financial, People, Estates and Communications)

None

5. Equalities

There are no impacts associated with this paper.

6. Communities and Partners

None

7. Risk and Impact

Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

If the paper is an approval, please reflect on whether the approval will have any direct or indirect impact for any other areas of operational activity internally or externally within the College – No

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)		
Very Low (1)	X	X

Total Risk Score – 1

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)					
Cautious <15		**Open 15> <20**		**Eager >20**	
Governance	X	Strategy		People	
Legal		Financial		Project/Programme	
Property		Reputational			
		Technology			

Failure to keep Committee remits under review could lead to a position where the committee is not providing the relevant assurances to the wider Board of Management. Mitigation is this annual review of remit by members.

Is the score above the Board Risk Appetite level? No

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

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

Audit Committee

1 Committee Rationale

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

2 Purpose

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

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

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

3 Membership

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

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

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

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

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

4 Meetings

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

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

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

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

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

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

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

5   Specific Duties of the Committee

Internal Governance Systems

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

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

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

- Review and approve the College Business Continuity plan

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

Internal Audit

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

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

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

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

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

External Audit

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

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

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

Other Duties

• Produce an annual report to the Board of Management

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

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

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

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

6   Authority

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

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

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

wbg

Forth Valley College

Internal Audit Plan 2025/26

August 2025

Table of Contents

Section	Page number

Introduction

Background
Wbg Services LLP were appointed as Internal Auditors by the Audit Committee for 3 academic years commencing with the year ended 31 July 2024, with the option of a further 1-year extension.

Internal Audit
The prime responsibility of the Internal Audit Service (IAS) is to provide the Audit Committee, the Principal and other Senior Management of the College, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

The IAS objectively examines, evaluates and reports on the adequacy of internal control thus contributing to the economic, efficient and effective use of resources and to the reduction of the potential risks faced by the College.

The operation and conduct of the IAS must comply with the guidelines set down by the Institute of Internal Auditors, including the Global Internal Audit Standards (GIAS), and the Application Note regarding the adoption of GIAS in the UK Public Sector. The Application Note replaces the Public Sector Internal Audit Standards from 1 April 2025.

Terms of Reference - Internal Audit
The provision of the IAS by Wbg Services LLP is covered by the letter of engagement dated 17 August 2023.

Preparation of Internal Audit Plan 2025/26
This Plan was developed following discussions with the College's Principal and Chief Executive, Vice Principal – Learning & Student Experience, Corporate Governance and Planning Officer, Audit Committee Chair and Audit Committee Vice Chair.

Formal Approval
The original Audit Needs Assessment (ANA) was presented to the Audit Committee for approval on 7 September 2023. This document covers the period 2025/26 where we are proposing to replace the scheduled Risk Management and HR reviews with Change Management Phase 1 and Change Management Phase 2. The Plan will be presented to the Audit Committee on 4 September 2025 for approval.

Operational Plan

2025/26

Business Continuity & Disaster Recovery

Audit area	High level indicative summary scope	Total number of days
Business Continuity & Disaster Recovery	The purpose of this review is to assess whether the College has appropriate business continuity planning and disaster recovery arrangements in place. Our review will consider whether there is sufficient contingency planning in place to address the possibility of an unforeseen event. Our objectives for this review are as follows: | There are appropriate Business Continuity plans and procedures in place at the College. | There is appropriate testing and reporting of business continuity procedures at the College. | Appropriate training for business continuity is being provided to all staff at the College. | Roles for business continuity at the College are clearly defined and are appropriate.	5

Change Management - Phase 1

Audit area	High level indicative summary scope	Total number of days
Change Management – Phase 1	The purpose of this audit is to assess the adequacy and effectiveness of the College's arrangements for planning and preparing for change initiatives. This includes evaluating whether change projects are appropriately scoped, risk-assessed, and aligned with strategic objectives. We will consider the process for planning for change, including stakeholder engagement, and resource allocation. Our objectives for this review are as follows: | The College has appropriate governance arrangements in place for initiating and approving change projects or initiatives. | The College identifies and considers key risks, impacts, and interdependencies during the planning stage. | The College engages relevant stakeholders effectively, including staff, students, and external partners where applicable. | The College defines clear objectives, success criteria, timelines, and allocates appropriate resources to change initiatives. | The College ensures that change planning aligns with its strategic priorities and operational needs.	4

Change Management - Phase 2

Audit area	High level indicative summary scope	Total number of days
Change Management – Phase 2	The purpose of this review is to provide assurance over how the College manages and evaluates change initiatives after implementation. The review will assess whether intended outcomes have been achieved, changes are embedded effectively, and lessons learned are identified and used to inform future projects. We will also consider how post-implementation risks are monitored and how staff and stakeholders are supported through the transition. Our objectives for this review are as follows: │ The College monitors and reviews changes against initial objectives, timelines, and success criteria. │ The College provides effective communication, training, and support throughout the transition. │ The College captures lessons learned and applies them to future change initiatives. │ The College manages risks identified during planning throughout the implementation and beyond. │ The College achieves intended outcomes and embeds changes into ongoing operations.	4

Safeguarding, Wellbeing and Counselling

Audit area	High level indicative summary scope	Total number of days
Safeguarding, Wellbeing and Counselling	The purpose of the review is to assess whether the College's systems and procedures for safeguarding are fully compliant with legislation and the College are taking all necessary steps to protect its students. This review will seek to provide assurance to the Audit Committee, that the safeguarding arrangements are adequate. Our objectives for this review are as follows: | The College keeps up to date with legal requirements and ensures that policies and procedures are revised accordingly. | There are clear responsibilities and accountabilities for safeguarding arrangements at senior level. | The College self-assessment processes ensure that the impact of safeguarding provision is measured effectively. | The College has robust systems and processes for dealing with safeguarding issues reported, which include the escalation process. | Staff have received appropriate training on the College's safeguarding arrangements to enable them to be confident and well equipped to promote safeguarding in a sensible and proportionate way.	5

Health and Safety

Audit area	High level indicative summary scope	Total number of days
Health and Safety	The purpose of the review is to assess whether the College has the appropriate policies and procedures in place that comply with Health & Safety Legislation. This review will look to provide assurance to the Audit Committee that the College's Health and Safety arrangements are adequate. Our objectives for this review are as follows: | The College has suitable Health & Safety policies and procedures in place which are subject to regular review and approval. | The College has a standard operating procedure for carrying out risk assessments in the workplace. | There are appropriate Health & Safety checks in place for contractors and visitors. | There is a designated Health & Safety Officer and Team/Group for the College who have sufficient Health & Safety expertise. | There is ongoing training given to staff in respect of Health & Safety requirements and guidance. | Periodic spot checks take place to ensure that staff are complying with the Health & Safety policies and procedures. | There are appropriate reporting mechanisms in place with regard to Health & Safety.	5

Credits

Audit area	High level indicative summary scope	Total number of days
Credits	Mandatory review of the Credits Return.	5

Student Support Funds

Audit area	High level indicative summary scope	Total number of days
SSF	Mandatory review of the Student Support Funds Return.	4

Educational Maintenance Allowance

Audit area	High level indicative summary scope	Total number of days
EMA	Mandatory review of the Educational Maintenance Allowance Return.	3

Follow Up Review

Audit area	High level indicative summary scope	Total number of days
Follow Up Review	The effectiveness of the internal control system may be comprised if management fails to implement agreed audit recommendations. Our follow up work will provide the Audit Committee with assurance that prior year recommendations are implemented within the expected timescales. Our objective for this review is to assess whether: | The College has appropriately implemented any outstanding internal audit recommendations made in prior years.	2

Assignment Plans & Dates

Assignment Plans

A detailed assignment plan will be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work. Each assignment plan will be agreed and signed off by an appropriate sponsor from the College.

Key Dates

Visit	Name	No. of audit days	Key College personnel	Provisional start date for visit	Provisional date of issue of draft report	Provisional date for reporting to Audit Committee
1	Credits	5	Director of Operations	w/c 8 September 2025 and w/c 15 September 2025	26 September 2025	20 November 2025
	SSF	4				
	EMA	3				
2	Change Management – Phase 1	4	Vice Principal – Finance & Corporate Affairs	27 October 2025	10 November 2025	
3	Health and Safety	5	Head of Estates	12 January 2026	30 January 2026	May 2026
	Safeguarding, Wellbeing and Counselling	5	Vice Principal – Learning & Student Experience			
4	Business Continuity & Disaster Recovery	5	Corporate Governance and Planning Officer	18 May 2026	5 June 2026	September 2026
	Follow Up Review	2				

Assignment Plans & Dates

Key Dates

Visit	Name	No. of audit days	Key College personnel	Provisional start date for visit	Provisional date of issue of draft report	Provisional date for reporting to Audit Committee
5	Change Management – Phase 2	4	Vice Principal – Finance & Corporate Affairs	6 July 2026	24 July 2026	September 2026

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Appendices

A – Summary of Internal Audit Input
B – Grading Structure
C – Key Performance Indicators
D – Training Topics
E – Audit Universe

A – Summary of Internal Audit Input

1 August 2023 to 31 July 2027 Operating Plan (No. Of days)		Operating Plan (No. Of days)			
System	Audit Area	2023/24	2024/25	2025/26	2026/27*
Financial Systems	Overall Financial Controls	5			
	Commercial Income		5		
Non-Financial Systems	Cyber Security		5		
	Business Continuity & Disaster Recovery			5	
	Review of new HR / Payroll System	5			
	Change Management – Phase 1			4	
	Change Management – Phase 2			4	
Governance	Corporate Governance		4		
	Risk Management				*
	Strategic Planning	4			
Student	Student Recruitment & Retention (Done in 2022/23)				
	Safeguarding, Wellbeing and Counselling			5	
	Human Resources				*
	Carried Forward	**14**	**14**	**18**	

A – Summary of Internal Audit Input

1 August 2023 to 31 July 2027 Operating Plan (No. Of days)		Operating Plan (No. Of days)			
System	**Audit Area**	**2023/24**	**2024/25**	**2025/26**	**2026/27***
	Carried Forward	**14**	**14**	**18**	
	Student Support		4		
Estates	Sustainability & Carbon Management		5		
	Health and Safety			5	
	Fraud Awareness		4		
	Estates Management – Maintenance	5			
Mandatory	Credits Audit	5	5	5	
	SSF Audit	4	4	4	
	EMA Audit	3	3	3	
Required	Follow Up Review	2	2	2	
	Audit Management	5	5	5	
	Total Days	**38**	**46**	**42**	

*If agreed to extend the contract, we would plan to include the reviews postponed from 2025/26.

B – Grading Structure

For each area of review, we assign a grading in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation we make we assign a grading either as High, Medium, or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Risk	Classification
High	High Risk	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency
Medium	Medium Risk	Significant issue or weakness which should be addressed by the College as soon as possible
Low	Low Risk	Minor issue or weakness reported where Management may wish to consider our recommendation

C – Key Performance Indicators

For each area of review, we assign a grading in accordance with the following classification:

Performance Indicator	Target
Internal audit days completed in line with agreed timetable and days allocation	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%
Draft reports issued within 10 working days of exit meeting	100%
Management provide responses to draft reports within 15 working days of receipt of draft reports	100%
Final reports issued within 5 working days of receipt of management responses	100%
Recommendations accepted by management	100%
Draft annual internal audit report to be provided by 31 August each year	100%
Attendance at Audit Committee meetings by a senior member of staff	100%
Suitably experienced staff used on all assignments	100%

D – Training Topics

As a firm we offer a wide range of training topics to our clients and we have listed below some of the topics which we would be able to offer the College.

Topic	Summary
Risk Management	This can cover risk awareness, assessment of risks, responsibilities for monitoring risks, risk appetite and the scoring of risks. This is usually done as a workshop to ensure buy-in from management and committee members to the risk management process.
Role of the Board	This would cover the roles and responsibilities of Board members, including the Chair. This has been particularly useful when new Board members have been appointed and allows members to obtain some knowledge on what the expectation of a Board member is and what they should be looking out for.
Role of Internal Audit	We would provide a short session on what the internal audit function should be delivering to the College and the added value which we would bring.
Finance for Non-Financials	This is useful for committee members who do not have a finance background and covers areas such as the management accounts, budget reporting and the statutory accounts.
Fraud Awareness	We would cover the importance of a having a strong control environment and areas to be aware of in relation to fraud. We would discuss some real-life examples of where we have identified or been asked to investigate allegations of fraud and the results of these investigations.
Cyber Awareness	We would provide a cyber awareness session designed to help staff recognise and respond to common cyber threats. The training would be tailored to the education sector and assist in promoting a strong culture of cyber resilience across all levels of the College.

E – Audit Universe

We have set out below the auditable entities, processes, systems and activities, which support the development of the internal audit plan, and the Internal Audit coverage since 2023. Please see page 19 for colour key of assurance ratings. The assurance levels identified were those at the time of the review where we have followed up on recommendations raised since the completion of the audit.

Area	2023/24	2024/25	2025/26
Financial Systems	Overall Financial Controls	Commercial Income	
		Fraud Awareness	
HR	New HR / Payroll System		
IT		Cyber Security	Business Continuity and Disaster Recovery
Funding		Student Support	
Compliance			Safeguarding, Wellbeing and Counselling
Central Functions		Sustainability & Carbon Management	Change Management – Phase 1
			Change Management – Phase 2
Governance	Strategic Planning	Corporate Governance	
Estates	Estates Management – Maintenance		Health and Safety

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. **Resource Implications (Financial, People, Estates and Communications)**

   None. This is a monitoring report on the activities of the Committee.

5. **Equalities**

   Not applicable. This is a monitoring report on the activities of the Committee.

6. **Communities and Partners**

   Not applicable. This is a monitoring report on the activities of the Committee.

7. **Risk and Impact**

   Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

   If the paper is an approval, please reflect on whether the approval will have any direct or indirect impact for any other areas of operational activity internally or externally within the College – No

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)		
Very Low (1)	X	X

   Total Risk Score – 1

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)					
Cautious <15		**Open 15> <20**		**Eager >20**	
Governance	X	Strategy		People	
Legal		Financial		Project/Programme	
Property		Reputational			
		Technology			

Failure to review Committee performance could lead to unsatisfactory performance or areas for potential improvement being missed.

Is the score above the Board Risk Appetite level? - No

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

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

Annex H: Self-assessment checklist

Role and remit	YES/NO/NA	Comments/ Action
Does the committee have written terms of reference?	Yes	
Do the terms of reference cover the core functions as identified in the *SG Audit and Assurance Committee Handbook*?	Yes	
Are the terms of reference approved by the Audit and Assurance Committee and reviewed periodically?	Yes	Reviewed and approved by the Committee on 4 September 2025 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	Board approved all committee membership at its meeting on 14 August 2025
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 Liam McCabe
Are all members, including the Chair, independent of the Executive function?	No	Grace Hepburn (elected staff member)
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?	No	Liam McCabe is Chair of FRAIC and Lorna Dougal Chair of LSE
Has the committee considered the arrangements for assessing the attendance and performance of each member?	Yes	Covered by 1:1s and 2024/25 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	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	Internal audit on Governance completed in 2024/25.External audit also provides assurance on these areas.
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 / Risk management workshop to be conducted with full Board September 2025
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	Fraud Prevention Policy approved in May 24
Has the committee been made aware of the role of risk management in the preparation of the internal audit plan?	Yes	Chair and Vice Chair of Committee attended meeting with internal auditors when setting plan for 2025-26.
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, Resource and Infrastructure Committee.

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, Resource and Infrastructure Committee
• major judgements made	No	Finance, Resource and Infrastructure Committee
• large write-offs	No	Finance, Resource and Infrastructure Committee
• changes in accounting treatment	No	Finance, Resource and Infrastructure Committee
• the reasonableness of accounting estimates	No	Finance, Resource and Infrastructure Committee
• the narrative aspects of reporting?	No	Finance, Resource and Infrastructure 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, Resource and Infrastructure 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	Chair and Vice Chair of Committee attended meeting with internal auditors when setting plan for 2025-26.
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	Fee determined by Audit Scotland

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	Action tracker implemented from September 24
Does the committee provide an effective annual report on its own activities?	Yes	Report presented to December Board meeting

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 to members the results of the National Fraud Initiative exercise covering the 3 year period to 30 September 2024.

2. **Recommendation**
   Members are asked to:
   - Note and discuss the results of the National Fraud Initiative exercise carried out within the College for the 3 year period ended 30 September 2024: and
   - Recognise that there were no reportable errors identified through the NFI exercise for this period.

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

   Under the provisions of Part 2A of the Public Finance and Accountability (Scotland) Act 2000, Audit Scotland requested FVC to submit creditors and payroll data for the period 1 October 2021 to 30 September 2024. The legislation enables Audit Scotland to require any body which comes under the remit of the Auditor General for Scotland to submit data for matching. This is an exercise required every 2 years.

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

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

4. **Key Considerations**
   The results of this data matching exercise were as follows:

   Payroll Matches

   Payroll to payroll

High risk	1
Low risk	1
Nil risk	1
	3

   The purpose of the payroll to payroll matches is to identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time.

The reasons for our 3 payroll to payroll matches were one employee starting employment with FVC after working for South Ayrshire Council, and two other employees each with part-time roles with FVC combined with part-time roles at local councils.

No concerns were raised from any of the payroll matches.

Creditors Matches

Duplicate creditors by creditor name	10
Duplicate creditors by address detail	6
Duplicate creditors by bank account number	3
Duplicate records by amount and creditor reference	147
Duplicate records by name, invoice number and amount but different creditor reference	1
Duplicate records by invoice number and amount but different creditor reference and name	2
Duplicate records by postcode, invoice amount but different creditor reference and invoice number and date	1
Procurement - payroll to Companies House (Director)	4
	174

Duplicate creditors by creditor name - to identify instances where the same supplier has been set up with more than one reference number on the system thus increasing the potential for creditors to obscure fraudulent activity. All 10 of our matches were investigated:

- 4 were procurement card control accounts used for finance monitoring but are not true creditor accounts that payments are made from;
- 3 are our local authorities where 2 supplier codes are needed for our BACS processor SmarterPay, one for DDs and one for other payment methods; and
- 3 were where the supplier had a new account set-up and the old one had been closed during the period, following name changes, registration numbers and bank account details.

No action was required following investigations as all records were found to be in order.

Duplicate creditors by address detail – to identify multiple creditors operating at the same address. All 6 of our matches were investigated and 2 were due to supplier name changes, 3 were simply companies in the same shared office building and the final match was for one of our associate commercial trainers who owns 2 different companies for different training disciplines. Actions required to close the creditor accounts for the supplier name changes had already been identified and dealt with prior to this exercise.

Duplicate creditors by bank account number – may indicate where a supplier has changed name but the standing data has not been updated. FVC had 3 matches for this category – one was the associate trainer companies mentioned above, one was a name change where the account had been closed prior to investigation, and the final one was Larbert High which has the same bank account as Falkirk Council which is standard practice.

The largest category of Creditors matches (147 records) was for Duplicate records by amount and creditor reference. This is where identical amounts have been paid to a supplier under different invoice numbers. Within this category the numbers of transactions within value bandings was as follows:

Duplicate Records by Values

Greater than £10,000	18
£5,000 to £10,000	17
£2,000 to £5,000	40
£1,000 to £2,000	72
	147

Many of the matches for FVC were as a result of contracts with identical regular payments eg Atalian Servest, FES, Falkirk Council pension payments, quarterly equipment rentals, student accommodation hotel invoices and various annual subscriptions since the data covers three years of transactions.

All 147 records were investigated and any errors noted had already been found and dealt with so no further action was required.

Duplicate records by name, invoice number and amount but different creditor reference. This match is to identify possible duplicate payments for the same goods/services but to different creditor references. The one match for FVC was an invoice that was allocated to the incorrect supplier code and subsequently reallocated prior to payment. This duplicate supplier had already been closed prior to this exercise and no payments were made in error.

Duplicate records by invoice number and amount but different creditor reference and name. This match is to identify possible duplicate payments for the same goods/services but to different creditors. Of the 2 matches for FVC one was for an order raised against the wrong supplier so invoice was paid incorrectly and a refund subsequently received, and then the correct supplier was paid. The second match was an invoice being allocated and paid to the wrong supplier with a very similar creditor reference, and a refund was received promptly.

Duplicate records by postcode, invoice amount but different creditor reference and invoice number and date. This match is to identify possible duplicate payments for the same goods/services but to creditors with different reference numbers. The one match for FVC was for 2 companies located in the same business park who happened to have invoices to FVC for the same amount of £5,000 (MKA Economics for the STC business case and the Forth Valley Chamber of Commerce annual subscription).

Procurement - payroll to Companies House (Director). This is to identify potentially undeclared interests that have given a pecuniary advantage. There are 4 matches related to 3 employees:
VP Business & Innovation for CDN and Forth Valley Chamber of Commerce;
Chair of the Board of Management - Colleges Scotland; and

A member of staff - Forth Valley Chamber of Commerce.

The matches were investigated and no issues found.

5. **Resource Implications (Financial, People, Estates and Communications)**
   Other than staff time, there are no direct financial implications of this paper. No instances of financial fraud were discovered, and no errors not already discovered by the finance team were identified during the investigation process.

6. **Equalities**
   An equalities assessment is not applicable given the nature of this report.

7. **Communities and Partners**
   As this is a finance report it does not involve stakeholder groups.

8. **Risk and Impact**

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)	x	x
Very Low (1)		

Total Risk Score – 4

BoM Risk Categories & Risk Appetite (Select one area only)					
Cautious <15		**Open 15> <20**		**Eager >20**	
Governance		Strategy		People	
Legal		Financial	x	Project/Programme	
Property		Reputational			
		Technology			

Is the score above the Board Risk Appetite level? No

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

Risk Owner – Alison Stewart   **Action Owner –** Senga McKerr
Paper Author – Senga McKerr   **SMT Owner –** Alison Stewart

Forth Valley College

Internal Audit 2024/25

Annual Report

June 2025

Table of Contents

1. Introduction

The prime responsibility of the Internal Audit Service (IAS) is to provide the College's Audit Committee, the Principal and other Senior Management of the College, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

We conduct our activity within the overarching framework of the Institute of Internal Auditors, Definition of Internal Auditing, Code of Ethics and International Standards for the Professional Practice of Internal Auditing, including the Global Internal Audit Standards and Topical Requirements, together with the UK Public Sector Internal Audit Standards, first introduced in April 2013.

In line with these Standards, we have developed a robust quality assurance process to ensure that each of our activities and reports are of a high and consistent standard. Quality assurance activity includes interim reviews during the internal audit process and an extensive final review before reports are issued to clients and other stakeholders. We actively seek to improve the services we deliver through a programme of CPD, training, networking and engagement with internal peers, as well as by piloting new ways of working.

We had an extensive external assessment undertaken against these standards in November 2023. The assessment was undertaken by the Chartered Institute of Internal Auditors who concluded:

"We are pleased to report that the Wbg Services LLP (formerly Wylie and Bisset LLP) Internal Audit Department conforms with the Standards, as well as the Definition of Internal Auditing, Core Principles and the Code of Ethics, which form the mandatory elements of the Public Sector Internal Audit Standards (PSIAS) and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard of quality in Internal Auditing".

The Chartered Institute of Internal Auditors also highlighted our compliance with all 64 standards of the IPPF.

This Annual Report should be considered by the Audit Committee prior to the Committee submitting their annual report to the Board.

A copy of this report requires to be submitted to the Scottish Funding Council.

2. Executive Summary

Overall Opinion
We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of Forth Valley College's (the College) risk management, control and governance processes. In our opinion Forth Valley College did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money. Our fieldwork was carried out between September 2024 and June 2025, and we have not undertaken any further internal audit assignments at the time of this report.

The overall findings and conclusion of each report are highlighted in Section 3. As can be seen from the summary in Section 3 all of the areas included in the Operational Plan for 2024/25 have been completed.

In forming our opinion, we have carried out the following work:

| A review and appraisal of financial and other controls operated by the College;

| A review of the established policies and procedures adopted by the College;

| An assessment of whether or not the internal controls are reliable as a basis for producing the financial accounts;

| A review of accounting and other information provided to management for decision making;

| Compliance and substantive audit testing where appropriate; and

| A review of the College's procedures in place to promote and secure value for money.

The analysis of performance indicators for the internal audit work carried out in the year is included at Section 5.

2. Executive Summary (continued)

Basis of Opinion

As the Head of Internal Audit at Forth Valley College we are required to provide the Audit Committee with an opinion on the adequacy and effectiveness of the College's risk management, control and governance processes.

In giving our opinion, it should be noted that assurance can never be absolute. The most that we can provide to the Audit Committee is reasonable assurance that there are no major weaknesses in the College's risk management, control and governance processes.

In assessing the level of assurance given, we have considered:

| All audits undertaken during the year ended 31 July 2025;

| Any follow-up action taken in respect of audits from previous periods;

| Any significant recommendations not accepted by management and the consequent risks;

| The effects of any significant changes in the College's objectives or systems;

| Matters arising from previous reports to the Audit Committee;

| Any limitations which may have been placed on the scope of internal audit;

| The extent to which resource constraints may impinge on the Head of Internal Audit's ability to meet the full audit needs of the College;

| What proportion of the College's audit need has been covered to date; and

| The outcomes of our quality assurance processes.

3. Audit Findings

Summary of Work Undertaken

The following table summarises the audit work undertaken in 2024/25. The grading structure used in our reports can be found in Appendix A.

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
Credits	5	5	Complete	**N/A**	-	-	2
SSF	4	4	Complete	**N/A**	-	-	1
EMA	3	3	Complete	**N/A**	-	-	-
Commercial Income	5	5	Complete	**Strong**	-	-	-
Fraud Awareness	4	4	Complete	**Strong**	-	-	3
Cyber Security	5	5	Complete	**Substantial**	-	2	3
Corporate Governance	4	4	Complete	**Strong**	-	-	1
Sustainability & Carbon Management	5	5	Complete	**Strong**	-	-	2
Total C/F	**35**	**35**	**-**	**-**	**-**	**2**	**12**

3. Audit Findings

Summary of Work Undertaken (continued)

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
Total B/F	**35**	**35**	**-**	**-**	**-**	**2**	**12**
Student Support	4	4	Complete	**Strong**	-	-	1
Follow Up Review	2	2	Compete	**Substantial**	1*	1*	2**
Audit Management	5	5	N/A	**N/A**	N/A	N/A	N/A
Total	**46**	**46**	**-**	**-**	**1**	**3**	**15**

*The High Priority and Medium Priority Recommendations part of the Follow Up review are Partially Implemented.

**There is one partially implemented and one outstanding recommendation.

3. Audit Findings

HIGH PRIORITY RECOMMENDATION

The following high priority recommendation was raised during the year.

Area	Finding	Recommendation	Management Response
Progress against the Strategic Plan. Strategic Planning – Follow Up	**Original Finding** An organisation should report on its progress against the strategic objectives set out within its Strategic Plan. This should be done by assessing the progress of the objectives underpinning the Strategic Plan. Our review found that the College is unable to assess whether it is meeting its strategic objectives, and Strategic Plan, as several of the College`s objectives are not measurable to enable consistent reporting on progress. There is a risk that without assessing its progress, the College may be severely underperforming against its objectives without understanding its position, which could lead to it not delivering on its long-term objectives.	We recommend the College uses SMART objectives to enable monitoring, and that the progress against these objectives is regularly reported to the Board of Management. This will require that each measure is: S – Specific M- Measurable A – Achievable R – Realistic	OUTSTANDING

4. Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the previous financial year.

Area	High	Medium	Low	Total	
Credits					
Average number of recommendations in similar audits	-	-	-	-	⮤
Recommendations at Forth Valley College	-	-	2	2	
SSF					
Average number of recommendations in similar audits	-	-	-	-	⮤
Recommendations at Forth Valley College	-	-	1	1	
EMA					
Average number of recommendations in similar audits	-	-	-	-	⇄
Recommendations at Forth Valley College	-	-	-	-	
Commercial Income					
Average number of recommendations in similar audits	-	-	2	2	↺
Recommendations at Forth Valley College	-	-	-	-	
Total C/F					
Average number of recommendations in similar audits	-	-	2	2	⮤
Recommendations at Forth Valley College	-	-	3	3	

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4. Benchmarking

Area	High	Medium	Low	Total	
Total B/F					
Average number of recommendations in similar audits	**-**	**-**	**2**	**2**	↱
Recommendations at Forth Valley College	**-**	**-**	**3**	**3**	
Fraud Awareness					
Average number of recommendations in similar audits	-	1	3	4	↰
Recommendations at Forth Valley College	-	-	3	3	
Cyber Security					
Average number of recommendations in similar audits	-	4	1	5	⇄
Recommendations at Forth Valley College	-	2	3	5	
Corporate Governance					
Average number of recommendations in similar audits	-	-	2	2	↰
Recommendations at Forth Valley College	-	-	1	1	
Total C/F					
Average number of recommendations in similar audits	**-**	**5**	**8**	**13**	↰
Recommendations at Forth Valley College	**-**	**2**	**10**	**12**	

4. Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the previous financial year.

Area	High	Medium	Low	Total	
Total B/F					
Average number of recommendations in similar audits	**-**	**5**	**8**	**13**	↺
Recommendations at Forth Valley College	**-**	**2**	**10**	**12**	
Sustainability & Carbon Management					
Average number of recommendations in similar audits	-	2	3	5	↺
Recommendations at Forth Valley College	-	-	2	2	
Student Support					
Average number of recommendations in similar audits	-	-	-	-	↻
Recommendations at Forth Valley College	-	-	1	1	
Total					
Average number of recommendations in similar audits	**-**	**7**	**11**	**18**	↺
Recommendations at Forth Valley College	**-**	**2**	**13**	**15**	

As highlighted above, the College has a lower number of recommendations in comparison with the colleges it has been benchmarked against.

4. Benchmarking (continued)

For each review, we benchmark the number and ranking of recommendations made for audits of a similar nature in the previous financial year. Please refer to the key below for an explanation of the benchmarking symbols used:

Key	
↺	Indicates a lower number of recommendations in comparison with the colleges it has been benchmarked against.
⇄	Indicates a similar number of recommendations in comparison with the colleges it has been benchmarked against.
↱	Indicates a higher number of recommendations in comparison with the colleges it has been benchmarked against.

4. Benchmarking (continued)

We have set out below in graphical format an analysis of the Benchmarking totals by grade of recommendation made.
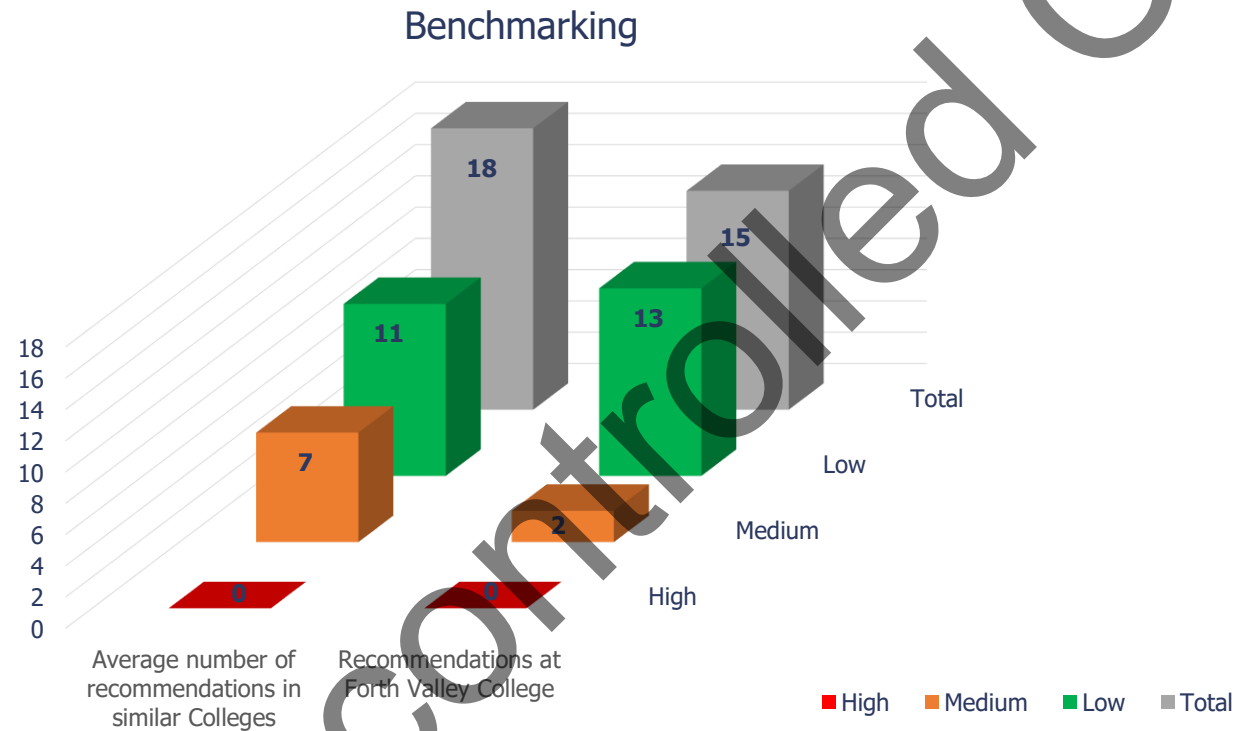
Benchmarking

As highlighted above, the College has a lower number of recommendations in comparison with the Colleges it has been benchmarked against.

5. Key Performance Indicators

Performance Indicator	Target	Actual
Internal audit days completed in line with agreed timetable and days allocation	100%	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%	100%
Draft reports issued within 10 working days of exit meeting	100%	100%
Management provide responses to draft reports within 15 working days of receipt of draft reports	100%	tbc
Final reports issued within 5 working days of receipt of management responses	100%	100%
Recommendations accepted by management	100%	100%
Draft annual internal audit report to be provided by 31 August each year	100%	100%
Attendance at Audit Committee meetings by a senior member of staff	100%	100%
Suitably experienced staff used on all assignments	100%	100%

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Appendix A

Grading Structure

A. Grading Structure

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation, we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Assurance	Risk	Classification
High	High risk	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency
Medium	Medium risk	Significant issue or weakness which should be addressed by the College as soon as possible
Low	Low risk	Minor issue or weakness reported where management may wish to consider our recommendation

wbg

Forth Valley College

Internal Audit
2024-25

Commercial Income
February 2025

Overall Conclusion

Strong

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Forth Valley College's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

The purpose of this assignment was to review the methods and structure in place for the management of commercial income and consider whether the College is achieving the best value from its commercial income.

This review formed part of our 2024/25 Annual Internal Audit Plan.

Scope of review

Our objectives for this review were:

| To establish and evaluate any strategies in place to ensure the College is maximising its commercial business opportunities.

| To consider income targets of the Commercial Business Unit and whether these are met along with costs associated with the Unit and how these are monitored.

| To establish and evaluate the current practices and processes adopted by the Commercial Business Unit to determine if this is the most efficient and effective use of resources.

| To ensure any contact information is being recorded by the most appropriate person and is being used in the most appropriate and beneficial way to enable the College to identify business opportunities.

| To establish the nature of the work done by the Commercial Business Unit, i.e. areas covered, areas the team are responsible for etc. and whether the staffing structure is appropriate.

| To establish the links (communication and others) between the Commercial Business Unit and the Faculties and other departments of the College.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There was no limitation of scope

Background

Commercial Strategy

The College`s approach to its commercial activities is documented in its Commercial Strategy (2022-2025). The Commercial Strategy sets out the 7 themes which it is based on:

| Create new opportunities;

| Upskill the workforce;

| Let entrepreneurism flourish;

| Transition to net zero;

| Undertake innovation;

| Regional impact; and

| Ensure we `make learning work`.

Progress against the 7 themes is tracked through the Apprenticeship, Skills and Commercial (ASC) Operational Plan which lists 5 objectives under each theme. Each objective is assigned two staff members that are responsible for their delivery and a timeline the objective is to be delivered with. Progress against each objective is assessed using a Red-Amber-Green (RAG) rating scale. Our review found that the most recent update, Q2 of 2024/25, there were 20 green rated actions, 15 amber rated and 0 red actions

Apprenticeship, Skills and Commercial (ASC) Team

Commercial activities are led by the ASC Team, led by the Vice Principal of Business and Innovation. The Team consists of staff who are involved in overseeing commercial activities such as the Head of Commercial & Training Delivery, the Head of Apprenticeships, managers at various levels as well as the staff members that deliver the training materials such as Lecturers, Trainers and Apprenticeship Officers.

Commercial Income and Costs

Commercial Income is primarily set using the previous year's figures as a baseline, whilst adjusting for any new commercial opportunities or areas the College feels it may be able to grow at a strategic level. Operationally, the courses the College offers are assessed as to whether they achieve a 40% margin per individual course. Income and costs are monitored monthly by the Pricing Manager using the `Commercial Income Summary` and `Associated Costs Summary` spreadsheets, which list the budgeted and actual income and costs, respectively. Our review found that as at November 2024 the College has received £603,960 in commercial income and incurred £291,694 in associated costs. The budgeted position for the 24/25 financial year is £1,784,140 in commercial income and £1,005,992 in associated costs. As the budget runs from August 2024 to July 2025, the actual figures from November 2024 represent 33.33% i.e. 4 months of the year having elapsed. Actual income and costs of £603,960 and £291,694 represents a spend of 33.85% and 28.99% respectively.

ARLO

The College uses third-party booking software, ARLO, to manage its commercial activities. ARLO enables members of the ASC Team to schedule teaching staff and learners to its classes and to store customer data.

Customer Information

Where a potential new customer enquires about a commercial course they will be provided with a formal quote that provides the financial costing of the course. Following acceptance of this quote, a member of the ASC Team will record the customers' details using a New Client Form. An email will then be sent to the customer with full course costing and a confirmation email is received once they have registered on ARLO. Our review tested a sample of 5 customers and found that whilst the quotes, costings and commercial emails were in place.

Communication Lines

The Head of Commercial & Training Delivery has regular communication with staff members in faculties that are involved in commercial activities, as do other members of the ASC Team where they are involved in working with a faculty. Our review interviewed 5 staff members from faculties within the College: Hospitality Management, Fabrication and Welding, Salon Services, Health and Social Care and Care, Sports and Business. We found that staff feel the communication channels between their faculties and the ASC Team operate well.

Work Undertaken

Our work undertaken for this review included the following:

Objective 1: To establish and evaluate any strategies in place to ensure the College is maximising its commercial business opportunities.

- We reviewed the Commercial Strategy to confirm that the College has a defined approach to maximising its commercial business opportunities.
- We discussed with staff and confirmed that the College has a sufficient staff to support the delivery of its commercial courses.

Objective 2: To consider income targets of the Commercial Business Unit and whether these are met along with costs associated with the Unit and how these are monitored.

- We reviewed the `ASC Commercial Income Summary 2024-2025` to confirm that income is monitored monthly against budgeted income.
- We reviewed the `ASC Associated Costs Summary 2024-25` to confirm that costs are monitored monthly against budgeted costs.

Objective 3: To establish and evaluate the current practices and processes adopted by the Commercial Business Unit to determine if this is the most efficient and effective use of resources.

- We reviewed the ARLO booking system, to confirm that resources are used in an efficient and effective manner.

Objective 4: To ensure any contact information is being recorded by the most appropriate person and is being used in the most appropriate and beneficial way to enable the College to identify business opportunities.

- We discussed with staff to confirm that customer information is recorded by the ASC Team.
- We reviewed a sample of 5 new customers, to assess whether the onboarding process was fully followed.

Objective 5: To establish the nature of the work done by the Commercial Business Unit, i.e. areas covered, areas the team are responsible for etc. and whether the staffing structure is appropriate.

- We reviewed the ASC Team Organisational Chart and Roles and Responsibilities to confirm the staffing structure is appropriate.

Objective 6: To establish the links (communication and others) between the Commercial Business Unit and the Faculties and other departments of the College.

- We discussed with staff to confirm that there are communication channels between the ASC Team and the faculties within the College.

Conclusion

Overall conclusion

Overall Conclusion: Strong
We can provide a strong level of assurance surrounding methods and structure in place for the management of commercial income. We have not raised any recommendations. We have raised several good practice points.

Summary of recommendations

Grading of recommendations				
	High	Medium	Low	Total
Commercial Income	0	0	0	0

As can be seen from the above table there were no recommendations raised.

Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.	
1.	The College`s Commercial Strategy (2022-2025), which aligns to the College`s Strategic Plan (2022-2025), sets out the College`s strategic approach to commercial activities.
2.	The College has a pool of lecturing staff members to enable its courses to be delivered. Additionally, the College has utilised Public Contracts Scotland to acquire additional teaching staff and associate trainers, to meet any shortfalls or additional staffing requirements.
3.	Income is set using the previous year`s income as a baseline and the College`s overall targets, whilst considering other factors such as new opportunities. Income is monitored monthly by the Leadership Team and quarterly by the Finance Committee and the Board. The most recent income figures, November 2024, show an overall budgeted income of £1,784,140 and actual income of £603,960. As the budget runs from August 2024 to July 2025 the actual income at November 2024, as a percentage of income, represents 33.85% of income having been achieved as 33.33% of the year has elapsed.
4.	Overall costs are set using the previous year's figure, costs are monitored monthly by the Leadership Team and quarterly by the Finance Committee and the Board. The most recent cost figures, November 2024, show an overall budgeted cost of £1,005,992 and actual costs of £291,694. This represents 28.99% of costs having been incurred, with 33.33% of the year having elapsed.
5.	The College uses a third-party system, ARLO, to manage its staffing resources and book teaching staff on to courses. The system enables members of the ASC Team to schedule classes and view the number of hours teaching staff have worked. The ASC Team will review the system daily to ascertain whether any classes can be combined and thus run more cost effectively.

The following is a list of areas where the College is operating effectively and following good practice.	
6.	The ASC Team are responsible for overseeing commercial income. The layout of the team is set out in the ASC Organisational Chart that shows the staff members leading the strategic side of commercial income and the teaching staff to support the delivery.
7.	We interviewed 5 staff members from different faculties within the College: Hospitality Management, Fabrication and Welding, Salon Services, Health and Social Care and Care, Sports and Business. Our review found that staff feel that the lines of communication work well and that communication with members of the ASC Team is regular and adequate.
8.	For a sample of 3 meetings of the Leadership Management Team and the Finance, Resource & Infrastructure Committee, we confirmed that an update on the commercial income position was provided.
9.	Progress against the themes identified in the Commercia Strategy are monitored by the ASC Team on a quarterly basis.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

Commercial Income

Benchmarking				
	High	**Medium**	**Low**	**Total**
Average number of recommendations in similar audits	0	0	2	2
Number of recommendations at Forth Valley College	0	0	0	0

From the table above it can be seen that the College has a lower number of recommendations compared to those colleges it has been benchmarked against.

3 Audit arrangements

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	13 January 2025
Closing meeting	17 January 2025*
Draft report issued	5 February 2025
Receipt of management responses	TBC
Final report issued	TBC
Audit Committee	15 May 2025
Number of audit days	5

*Additional information requested following closing meeting.

We detail below our staff who undertook the review together with the College staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner	gg@wbg.co.uk
Director	Stephen Pringle	Director of Internal Audit	sp@wbg.co.uk
Senior	Colin McNeill	Internal Audit Senior	cmn@wbg.co.uk

Forth Valley College			
Key Contact	Colin McMurray	Vice Principal of Business and Innovation	colin.mcmurray@forthvalley.ac.uk
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

wbg

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the College as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of this assignment is to review the methods and structure in place for the management of commercial income and consider whether the College is achieving the best value from its commercial income.

This review forms part of our 2024/25 Annual Internal Audit Plan.

Scope of review

Our objectives for this review are to ensure:

| To establish and evaluate any strategies in place to ensure the College is maximising its commercial business opportunities.

| To consider income targets of the Commercial Business Unit and whether these are met along with costs associated with the Unit and how these are monitored.

| To establish and evaluate the current practices and processes adopted by the Commercial Business Unit to determine if this is the most efficient and effective use of resources.

| To ensure any contact information is being recorded by the most appropriate person and is being used in the most appropriate and beneficial way to enable the College to identify business opportunities.

| To establish the nature of the work done by the Commercial Business Unit, i.e. areas covered, areas the team are responsible for etc. and whether the staffing structure is appropriate.

| To establish the links (communication and others) between the Commercial Business Unit and the Faculties and other departments of the College.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There is no limitation of scope

Audit approach

Our approach to the review will be:

| Discussions with key personnel to establish the current arrangements in place for Commercial Income.
| A review of the Budgeting Process for 2023/24 and 2024/25.
| Testing of the processes for monitoring Income Streams and Cost Levels throughout the financial year.
| Review of any policies and procedures to ensure that these are adequate and comply with good practice.
| Review of the process for analysing variances and re-forecasting if necessary.
| Consideration of Board and Senior Management Reporting.

Potential key risks

The potential key risks associated with the area under review are:

| Clear business development strategies are not in place resulting in business and income not being generated and the College missing out on commercial business opportunities.
| The Commercial Business activities of the College may not be sustainable.
| Income targets are not clearly defined and are not monitored to ensure these are being achieved. There is a risk that it is not achieving its business targets.

| Budgeted costs are not being monitored effectively and timeously resulting in potential overspending and best value not being achieved.
| Current practices and processes are not the most efficient and effective use of resources which could have a detrimental effect on the team's ability to meet the targets set
| Contact information is not collated by the most appropriate personnel within the College with a risk that this will not be used in the most appropriate manner.
| There are no clear roles and responsibilities within the Commercial Business Unit and the staffing structure is not appropriate to ensure the objectives of the operational plan are being met.

Forth Valley College

Internal Audit
2024-25

Cyber Security
June 2025

Overall Conclusion

Substantial

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Forth Valley College's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

We undertook a review of the cyber security arrangements in place to assess whether there were appropriate controls in place to mitigate the loss of business-critical information due to a cyber-attack or failure of key systems/suppliers. We tested these arrangements against the National Cyber Security Centre's (NCSC) 10 steps to Cyber Security guidance.

This review forms as part of our 2024/25 Internal Audit Annual Plan.

Scope of review

Our objectives for this review were to assess whether:

| There was an appropriate risk-based approach to securing data and systems which had been adopted.

| There was appropriate cyber-awareness training for College staff that has been mandated.

| The architecture and configuration of key College systems was easily maintained and updated to adapt effectively to emerging cyber threats.

| There were appropriate solutions in place to control access to the College's information systems.

| The systems were appropriately patched to minimise the risk of vulnerabilities being successfully exploited in an attack.

| There were appropriate solutions in place to protect College data from unauthorised access, modification, and deletion.

| There were appropriate processes and procedures in place to respond to security incidents that would help prevent further damage.

| There were appropriate processes in place for vetting suppliers and assessing the adequacy of their cyber security controls.

| There was an appropriate understanding of all assets that are part of the College's IT network and environment.

| The College systems were appropriately monitored with information logged and actively analysed.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There was no limitation of scope.

Background Information

IT Team

The College IT systems are supported by an inhouse IT Team. The IT Team are responsible for ensuring hardware is configured for staff and students and that software is kept up to date. They maintain and manage the local network and ensure all relevant devices are protected by appropriate anti-virus/anti-malware solutions. The IT Team ensures that firewall protection is appropriately monitored should there be an attempted security breach or failure.

Anti-virus and Anti-malware

The IT Team are responsible for employing robust anti-virus and anti-malware solutions to protect the College network. Sophos Intercept X provides the College with a suite of security tools to defend against cyber threats and malicious files / activity. Web-browsing is controlled via local filtering policies which protect against further threats from unsecure websites.

Physical Controls

The College's business-critical network infrastructure sits across its three main campuses in Falkirk, Stirling and Alloa. The network is physically protected by controls in the form of limited access, smoke alarms, air conditioning and Uninterrupted Power Supplies (UPS) offering power continuity for a limited time to prevent power surges to the core equipment.

Entry and Exit Process

The College has appropriate entry and exit procedures for new starts and leavers. The IT Team ensure that as staff join the College, they receive the correct permissions and gain access to the relevant services and software applications. If a member of staff is leaving the College, the IT Team will deprovision network access on their last day of employment. Related licences can then be cancelled for that staff member, with the information logged and set as completed.

Backup and Disaster Recovery

The College adopt a robust backup strategy for data protection and to help facilitate disaster recovery should it be required. The IT Team maintain multiple backup copies of College data, with one of those copies held offsite. This protects the College's digital resources from various types of failures, including hardware malfunctions, natural disasters, and cyber-attacks.

National Cyber Security Centre 10 Steps to Cyber Security

The National Cyber Security Centre (NCSC) is an organisation of the United Kingdom Government that provides advice and support for the public and private sector on how to avoid computer security threats. The NCSC's 10 steps to Cyber Security guidance aims to help organisations manage their cyber security risks by breaking down the tasks of protecting the organisation into 10 components. Adopting security measures covered by the 10 steps reduces the likelihood of cyber-attacks occurring and minimises the impact on an organisation when incidents do occur.

The table below illustrates the College's current position in relation to the NCSC's 10 Steps to Cyber Security guidance. We have set the maximum appetite for success at 1. The closer the score is to that maximum, the stronger the performance in that area. Each of the 10 steps have been scored based on our assessment:

NCSC 10 Steps	Appetite	Score
Risk Management	1	0.8
Engagement & Training	1	0.9
Asset Management	1	1
Architecture & Configuration	1	1
Vulnerability Management	1	1
Identity & Access Management	1	1
Data Security	1	0.9
Logging & Monitoring	1	1
Incident Management	1	0.8
Supply Chain Security	1	0.9

NCSC 10 Steps to Cyber Security

■ Appetite   ■ Score
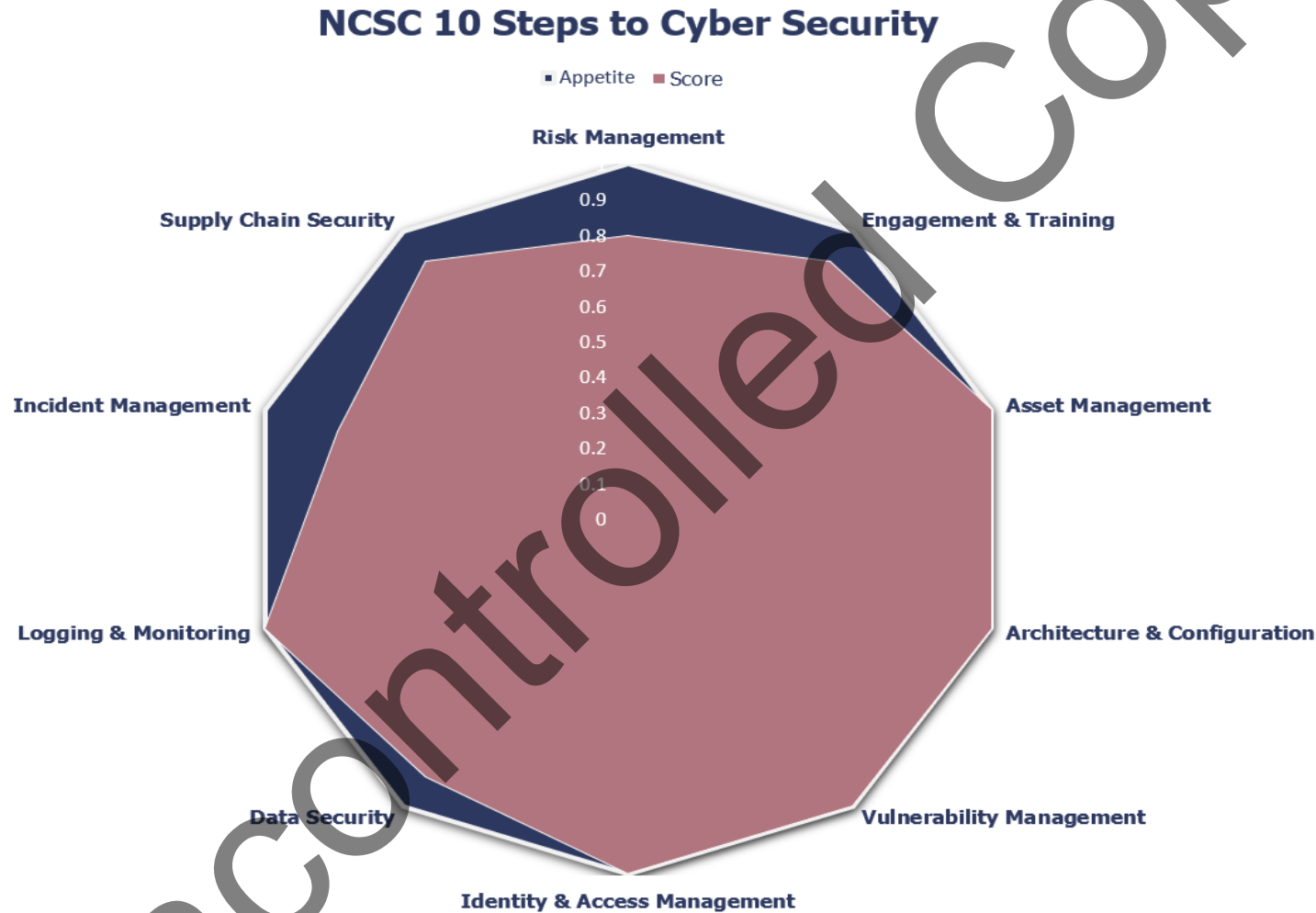
We have raised recommendations that would help to improve scores in a number of these areas. **Please see Section 3: Detailed Recommendations for further information.**

Work Undertaken

Our work for this review included the following:

Objective 1: There is an appropriate risk-based approach to securing data and systems which has been adopted.

| We reviewed the Risk Register and the formal documentation of operational risks, including cybersecurity risks, to assess whether potential threats are identified, assessed, and managed effectively.

Objective 2: There is appropriate cyber-awareness training for College staff that has been mandated.

| We reviewed the College's new start cyber security training programmes to assess whether these are mandated and completed by all staff.

| We reviewed the College's cyber security refresher training programme to assess whether these are mandated and completed by all staff on a frequent basis.

Objective 3: The architecture and configuration of key College systems is easily maintained and updated to adapt effectively to emerging cyber threats.

| We discussed the current network setup arrangements with the College's IT Team to assess whether the IT infrastructure was robust and capable of supporting its operations securely and efficiently.

| We reviewed the College's network security procedures, including any change management processes to assess whether these were appropriately logged and recorded.

Objective 4: There are appropriate solutions in place to control access to the College's information systems.

| We reviewed the College's controls for user creation and user permissions.

| A review of the College's process for evaluating user accounts which compares users with data held by HR.

| We reviewed the physical and environmental controls in place at the College to assess whether they are effectively safeguarding the critical network infrastructure against potential threats and vulnerabilities.

| We reviewed the College's controls surrounding users accessing the network remotely, including the enforcement of Multi-Factor Authentication (MFA).

Objective 5: There are appropriate solutions in place to protect College data from unauthorised access, modification, and deletion.

| We reviewed the College's controls to safeguard sensitive data to assess compliance with data protection regulations and to mitigate the risk of data breaches.

| We reviewed the College's backup and replication procedures to assess data integrity, availability, and resilience against data loss or system failures.

Objective 6: The College systems are appropriately patched to minimise the risk of vulnerabilities being successfully exploited in an attack.

| We reviewed the College's patching procedures and assessed the validity of the process to assess whether these are robust and in line with good practice.

| We reviewed the College's patching levels and endpoint operating systems to assess whether the platforms are suitably protected and supported, minimising vulnerabilities and enhancing overall security posture.

Objective 7: There are appropriate processes and procedures in place to respond to security incidents that will help prevent further damage.

| We reviewed the College's Cyber Incident Response Plan for adequacy to assess whether it effectively prepares the College to respond promptly and efficiently to cyber threats, minimising potential damage and disruption.

| We held discussions with the College to establish whether the plan had been exercised and if relevant staff are aware of their roles and responsibilities.

Objective 8: There are appropriate processes in place for vetting suppliers and assessing the adequacy of their cyber security controls.

| We held discussions with the College to establish the current arrangements in place.

| We reviewed the College's policies and procedures to assess whether these are robust and in line with best practice.

Objective 9: There is an appropriate understanding of all assets that are part of the College's IT network and environment.
| A review of the College's Asset Management Register to assess accurate tracking and protection of assets, and to verify proper allocation and utilisation of resources.
| We reviewed the controls in place that prevent unauthorised devices connecting to the network.

Objective 10: The College systems are appropriately monitored with information logged and actively analysed.
| A review of the College's network security appliances to assess whether they are effectively protecting the network from threats and vulnerabilities.
| A review of the College's network monitoring and logging capabilities to assess timely detection and response to security incidents.

Conclusion

Overall Conclusion: Substantial
Following our review, we can provide a substantial level of assurance over the controls and systems in place at the College surrounding cyber security. We have raised several good practice points and raised five recommendations for improvement. **Please see Section 3: Detailed Recommendations for further information.**

Summary of recommendations

Grading of recommendations				
	High	**Medium**	**Low**	**Total**
Cyber Security	0	2	3	5

As can be seen from the above table there were no recommendations made which we have given a grading of high.

Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.	
1.	The College has implemented a robust and integrated monitoring and alerting framework, combining internal tools like Nagios with structured wireless and firewall management and external support through Jisc and the JANET network. This layered approach provides strong visibility, early warning, and response capabilities. This represents good practice in infrastructure monitoring and cyber resilience.
2.	The College has a detailed IT asset inventory, held by the IT Team. It provides a detailed list of the College's IT Estate, allowing the IT Team to manage those assets and review the register if and when required.
3.	The College's 'IT Security Incident Response Plan' is a detailed document, outlining how the Incident Response Team (IRT) would work together to eliminate a cyber threat efficiently and effectively. The plan helps clarify internal and external communication during a cyber incident, and includes the steps required to properly detect, triage, respond to and recover from a directed cyber-attack.
4.	The College operates a structured and proactive patch management regime using dual WSUS servers, supported by the monitoring tool Nagios, and commissions regular external penetration testing. This demonstrates a strong approach to identifying and addressing vulnerabilities in a timely and controlled manner.
5.	Administrator access to network components is carried out over a dedicated and secure network infrastructure managed by the IT Team. The network is suitably protected by business grade anti-virus software. Backup data, at rest and in transit, is protected through encryption and secure communication channels. Indeed, the College backup repository is immutable, meaning it cannot be deleted or encrypted maliciously, including by ransomware.

The following is a list of areas where the College is operating effectively and following good practice.	
6.	The College makes good use of automation for user account creation and amendment through integration with the HR system, helping ensure timely and accurate provisioning. Periodic user account reconciliation, using tools like PingCastle, helps ensure account records remain accurate and up to date, thereby strengthening overall access control oversight.
7.	Remote access to College resources is secured through the use of a VPN client that provides secure access for staff connecting into the College network. Network resources are accessed using existing Active Directory credentials, with additional security enforced through Multi-Factor Authentication (MFA) on all remote connections including M365. College supplied Windows mobile devices are further protected by the encryption software, BitLocker.
8.	Key IT infrastructure, including servers, is housed in secure environments with restricted key card access limited to IT and designated personnel. The presence of air conditioning, UPS devices, and fire suppression systems provides protection against environmental hazards and supports the ongoing operation of critical systems.
9.	Wireless access is appropriately separated for different users on the network, with unmanaged devices restricted to external resources only i.e., hosted on the Internet. Access to College network resources is secured using domain credentials for both staff and students. Security is again enhanced by security rules set on the College firewalls and internet filtering. Further external protection is provided by the College's Internet Service Provider, Jisc Services Limited.

The following is a list of areas where the College is operating effectively and following good practice.	
10.	The College has a robust IT architecture. Network segmentation is in place to help improve network security. The network is protected from external threats by a dedicated firewall, denying direct connections to untrusted external services and protecting internal IP addresses. Endpoints are protected by an anti-virus solution that will automatically detect and respond to cyber security threats.
11.	The College delivers annual cyber security training via Moodle, and runs regular phishing simulations to assess staff awareness. This is supported by follow-up guidance and managerial oversight.

2 Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

Cyber Security

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	4	1	5
Number of recommendations at Forth Valley College	0	2	3	5

From the table above it can be seen that the College has a similar number of recommendations compared to those colleges it has been benchmarked against.

Cyber Security Risk Register			
Ref.	Finding and Risk	Grade	Recommendation
1.	A cyber risk register is an important tool for identifying, assessing, and managing threats to an organisation's IT environment. It enables risks to be documented, prioritised, and monitored in a consistent and structured way, while providing visibility to senior leaders and supporting effective risk mitigation and decision-making. During our review, we found that while the College's IT Team carries out a range of operational procedures to manage cyber risks, including managing known vulnerabilities such as those in VMware and vMotion, and rotating responsibility for key systems among team members, these activities are not formally documented within a cyber or IT risk register. This operational knowledge is held by a small number of individuals and is not captured in a way that ensures continuity during staff absence or turnover. Although the College does include IT within its broader risk register at a strategic level, there is currently no supporting	**Medium**	We recommend that the College establish a formal cyber or IT risk register to document and monitor key cyber security risks and vulnerabilities. This register should align with the format of the College's wider risk register, with risks assessed by likelihood and impact, assigned to owners, and reviewed regularly.

	cyber or IT risk register at the operational level that would enable specific risks to be tracked, reviewed, or fed into the wider risk framework. Following our root cause analysis, we determined that the absence of a formal risk register stems from the lack of a documented process to translate day-to-day operational knowledge into structured risk management. The team is proactive in addressing issues as they arise, but this is largely informal and relies on the individual knowledge and initiative of analysts and helpdesk staff. As such, there is no consistent method to map out how specific risks are monitored or what mitigating actions are in place. Without a formal cyber risk register, there is a risk that key cyber threats and operational risks may be overlooked, inconsistently monitored, or not appropriately escalated. This may impact the College's ability to respond effectively to emerging risks and to provide assurance to senior leaders that cyber threats are being managed.		

Management response	Responsibility and implementation date
We agree that a formal I.T. cyber risk register be established, that is informed by standard procedures for checking particular sources for elements of risk to the college, coupled with horizon scanning for cyber risks should populate the risk register. This work has been carried out, and is part of the formal processes of the I.T. team.	*Responsible Officer: Graeme Robertson* *Implementation Date: Completed*

Tabletop Exercises for Incident Management

Ref.	Finding and Risk	Grade	Recommendation
2.	Tabletop exercises are a form of practical, discussion-based training designed to test the preparedness, coordination, and decision-making in a controlled, low-risk environment. These exercises simulate real-world scenarios, such as natural disasters, IT failures, or security breaches, allowing participants to review their roles, assess escalation protocols, and evaluate the effectiveness of incident response frameworks. Tabletop exercises often involve multiple stakeholders, providing an opportunity to practice collaboration, refine communication strategies, and identify gaps in planning or response capabilities. At the College, we identified a clear and well-defined IT Security Incident Response Plan. This plan is supplemented by several associated 'playbooks' that provide detailed, scenario-specific guidance to ensure a consistent, timely, and effective response to different types of cyber incidents. However, we noted that the College's entire Incident Response Team had	**Medium**	We recommend that the College incorporates regular tabletop exercises to enhance the effectiveness of the IT Security Incident Response Plan already in place. The Incident Response Team should conduct exercises focused on security breach scenarios to reinforce the College's response capabilities. These exercises should include structured debrief sessions to capture lessons learned and refine the incident management framework.

	yet to conduct a structured tabletop exercise or similar scenario-based training exercise that simulates a cyber security incident. The root cause of the absence of structured tabletop exercises can be attributed to a lack of prioritisation. While the College has a well-defined IT Security Incident Response Plan, the focus has been on developing the plan and supplementary playbooks rather than regularly testing and validating it through realistic, scenario-based training. The absence of such exercises may stem from resource constraints and competing priorities. The absence of tabletop exercises poses an operational risk. Without regular, simulated practice, relevant personnel at the College may lack the experience needed to respond effectively to high-pressure, complex incidents. This could lead to delays in decision-making, miscommunication, or inefficiencies in resource allocation during critical events.		

Management response	Responsibility and implementation date
We agree that the carrying out of table top exercises, should supplement the in-place incident response plan. The Cyber Incident Response Plan has been reviewed, and amended. The plans are for monthly table top incident response plan testing aligned with particular playbooks. On completion of all playbooks being tested, the tabletop exercises will be expanded to encompass work with other departments, and then work with the Learning Management Team (L.M.T.)	*Responsible Officer: Graeme Robertson* *Implementation Date: March 2026*

Phishing Simulation Outcomes			
Ref.	Finding and Risk	Grade	Recommendation
3.	Phishing simulation exercises are a valuable tool in assessing staff awareness and improving resilience against cyber threats. When supported by effective follow-up actions and training, these campaigns help reduce the risk of successful phishing attacks and strengthen the organisation's overall cyber security posture. During our review, we found that the College conducts phishing simulations regularly, with campaigns run to date. Staff who fall for these simulations are directed to guidance materials, including Microsoft training modules, and Moodle-based e-learning. Managers are informed of individuals who fail simulations and are expected to take appropriate follow-up action, such as reminding staff to complete training. However, we noted that this follow-up is not consistently confirmed or tracked, and there is no formal process to ensure that repeat offenders complete remedial training or engage in further discussion with the IT Team. This	**Low**	We recommend that the College implement a more structured follow-up process for phishing simulation outcomes. This should include a requirement for line managers to confirm that they have discussed simulation failures with their staff and that any required training has been completed. For staff who repeatedly fall victim to phishing simulations, the College should consider targeted interventions, such as one-to-one guidance with the IT Team, to reinforce awareness and improve cyber hygiene. Establishing a process for tracking these follow-ups will help ensure accountability and allow the College to monitor progress over time.

	issue appears particularly relevant among business units or assessors who do not work with computers regularly, as well as newer staff who may not yet be fully aware of College cyber security protocols. The same individuals tend to be caught by multiple simulations, indicating that current awareness measures are not fully effective for all staff. Following our root cause analysis, we found that the lack of a formalised follow-up and confirmation process is the key issue. While phishing simulation outcomes are shared with managers, there is no mechanism to verify that appropriate conversations or training have taken place, nor is there a structured pathway for further support or engagement from the IT Team for those who repeatedly fall victim. Without a consistent and trackable follow-up process, there is a risk that staff who repeatedly fall victim to phishing simulations will continue to do so, increasing the likelihood of a successful real-world phishing attack. This may result in data breaches, financial loss, or reputational damage to the College.	

Management response	Responsibility and implementation date
We agree to improve the structure surrounding the phishing simulation campaigns, with the addition of a feedback loop as to responses from managers, of staff that have been caught/compromised. We will keep a record of staff/management with their responses, and feedback.	*Responsible Officer: Graeme Robertson* *Implementation Date: Implemented*

Data Leakage Prevention (DLP)

Ref.	Finding and Risk	Grade	Recommendation
4.	DLP (Data Leakage Prevention) is a strategy designed to prevent sensitive or critical information from being transferred outside an organisation's network. It combines policies, procedures, and technical controls to manage and restrict how data is handled by end users, reducing the risk of unauthorised disclosure or loss. During our review, we noted that the College uses Sophos Intercept X, which includes DLP monitoring functionality. However, no technical controls have been implemented to enforce DLP policies. For example, while there may be an expectation that staff should not use unmanaged USB storage devices to remove data from the network, there is currently nothing in place to prevent this in practice. As a result, data could still be copied to external devices without oversight or restriction, posing a risk of accidental or intentional data leakage. Following our root cause analysis, we found	**Low**	We recommend that a risk assessment which considers DLP is conducted to ensure that any areas of risk, such as the use of unmanaged USB storage devices, are assessed and that subsequent solutions are considered. The IT Team may then be tasked with providing additional security controls to mitigate these risks, helping the College to reduce the likelihood of deliberate or accidental data leakage.

that the lack of enforced technical controls is primarily due to the need to balance IT security with the practical requirements of staff. While the IT Team recognises the risk and would prefer to block the use of unmanaged USB devices or similar channels outright, there are legitimate scenarios where staff may need to transfer files.

Without enforced DLP controls, there is a risk that sensitive College data may be transferred outside of the network through unmanaged channels, such as USB drives or email, without detection or approval. This could lead to data breaches, potential non-compliance with GDPR, and reputational harm to the College.

Management response	Responsibility and implementation date
We agree to strengthen the Data Loss Prevention (DLP) tools that we currently deploy, and will assess what that will entail. We will also explore other available tools within the Office 365 tenancy environment and see if they can help prevent DLP.	*Responsible Officer: Graeme Robertson* *Implementation Date: April 2026*

Supply Chain Security			
Ref.	Finding and Risk	Grade	Recommendation
5.	Organisations normally have supplier partners that deliver a range of products, systems, and services. It is important for an organisation to evaluate the security standards of their suppliers and in some cases validate relevant cyber security credentials. Organisations often require suppliers to comply with industry standard cyber security controls and hold appropriate certifications. Some examples would be the National Cyber Security Centre's 'Cyber Essentials' and 'Cyber Essentials Plus' certifications and the ISO27001 information security management standard. The College has committed to selecting suppliers and partners that meet appropriate cyber security standards. This helps to ensure that the College systems, services, and data that have been entrusted to them is as secure as possible against potential cyber threats. However, there is currently no formal process in place requiring relevant partners to provide evidence of their cyber security certifications or	**Low**	We recommend that the College establishes a mandatory requirement within procurement for relevant partners to evidence their cyber security credentials by providing copies of relevant certifications and recertifications when due. This will help provide ongoing assurance of current and future suppliers' cyber security standards.

| | confirm recertification when due - typically on an annual basis.

The absence of a formal process for verifying ongoing cyber security certifications stems from a lack of established procedures within the College's supplier management framework. This gap may be due to an oversight in the procurement policy, where the focus has primarily been on technical/quality questions as part of the evaluation process rather than on the partner's specific cyber certifications.

The threat landscape for cyber incidents is ever evolving. If the College fails to confirm that the security measures of third-party partners remain up to date and consistent with the College's cyber security standards over time, there is an increased risk of systems being compromised via the supply chain. | | |

Management response	Responsibility and implementation date
We will explore this recommendation with the Procurement Team, with respect to the viability/practicality , given resource constraints.	*Responsible Officer: Graeme Robertson/Ester Vasallo* *Implementation Date: April 2026*

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	30 May 2025
Closing meeting	13 June 2025
Draft report issued	24 June 2025
Receipt of management responses	27 August 2025
Final report issued	27 August 2025
Audit Committee	4 September 2025
Number of audit days	5

We detail below our staff who undertook the review together with the College staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner	gg@wbg.co.uk
Director	Stephen Pringle	Director of Internal Audit	sp@wbg.co.uk
Auditor	Kevin McDermott	Senior IT Auditor	kmd@wbg.co.uk

Forth Valley College			
Key Contacts	Graeme Robertson	Head of IT	graeme.robertson@forthvalley.ac.uk
	Ester Vasallo	Procurement Manager	ester.vasallo@forthvalley.ac.uk
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

wbg

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the College as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

We will undertake a review of the cyber security arrangements in place to assess whether there are appropriate controls in place to mitigate the loss of business-critical information due to a cyber-attack or failure of key systems/suppliers. We will test these arrangements against the National Cyber Security Centre's (NCSC) 10 steps to Cyber Security guidance.

This review forms as part of our 2024/25 Internal Audit Annual Plan.

Scope of review

Our objectives for this review are to assess whether:

| There is an appropriate risk-based approach to securing data and systems which has been adopted.

| There is appropriate cyber-awareness training for College staff that has been mandated.

| The architecture and configuration of key College systems is easily maintained and updated to adapt effectively to emerging cyber threats.

| There are appropriate solutions in place to control access to the College's information systems.

| There are appropriate solutions in place to protect College data from unauthorised access, modification, and deletion.

| The College systems are appropriately patched to minimise the risk of vulnerabilities being successfully exploited in an attack.

| There are appropriate processes and procedures in place to respond to security incidents that will help prevent further damage.

| There are appropriate processes in place for vetting suppliers and assessing the adequacy of their cyber security controls.

| There is an appropriate understanding of all assets that are part of the College's IT network and environment.

| The College systems are appropriately monitored with information logged and actively analysed.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

| Discussion with relevant staff involved to establish the current arrangements in place.

| Review of IT security, access control and user policies for adequacy.

| Review of the College's strategy for identifying and addressing system vulnerabilities and a secure and timely manner.

| Review of the College's anti-malware/virus software including web protection.

| Review of the College's network security appliances and monitoring.

| Review of the College's data leakage prevention controls and monitoring.

| Review of the College's network access controls including user account controls, remote access, third party access.

| Discussion with staff involved to establish the current arrangements in place at the College for Backup and Disaster Recovery.

| Review of the College's cyber awareness training for staff.

| Review the College's vetting processes for suppliers in relation to their cyber awareness.

| Review of the College's IT asset management.

Potential key risks

The potential key risks associated with the area under review are:

| There is no risk-based approach to securing data and systems.

| Appropriate cyber-awareness training for staff has not been mandated.

| The architecture and configuration of key IT systems are not easily maintained and updated, meaning they cannot adapt effectively to emerging cyber threats.

| There is a lack of/inadequate controls in place to control access to the College's information systems.

| The College's network is not protected from misuse, which would include unauthorised access, modification, and deletion.

| If systems of defence for College IT systems are not robust and effective, then the College could be subject to system failure and loss.

| There are insufficient processes and procedures in place to respond to security incidents to help prevent further damage.

| There are no processes in place for vetting suppliers and assessing the adequacy of their cyber security controls.

| There is a lack of understanding around the assets that form part of the College's IT network and environment.

| The College systems and not monitored meaning relevant information remains unknown and will not be acted upon.

Forth Valley College

Internal Audit
2024-25

Sustainability & Carbon Management
June 2025

Overall Conclusion

Strong

Table of contents

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Forth Valley College's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

We reviewed the College's arrangements to ensure compliance with relevant climate change and sustainability legislation, including the Climate Change (Scotland) Act 2009, the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, and the College's obligations under the Scottish Government's Net Zero by 2045 target.

Our review considered the roles and responsibilities for sustainability and carbon management and assessed how embedded these were within the College. We also considered the recording and collection of data and performance indicators in relation to this area.

This review formed part of our 2024/25 Internal Audit Annual Plan.

Scope of review

Our objectives for this review were to assess whether:

| The College is complying with current sustainability and carbon management legislation, including the Climate Change (Scotland) Act 2009, the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, and the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.

| The College has a plan in place to help meet the commitment of net zero carbon emissions by 2040 as documented within the College Net Zero Plan.

| The College has appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.

| The College has robust arrangements for the recording and collection of data and performance indicators in relation to this area.

| The College communicates sustainability progress to external stakeholders.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There was no limitation of scope.

Background

Mandatory Reporting

Scottish colleges are required to submit a Public Bodies Climate Change Duties (PBCCD) Report to the Scottish Government annually by the 30th of November in accordance with the Climate Change (Duties of Public Bodies Reporting Requirements) (Scotland) Order 2015. The PBCCD Report contains the College`s emissions figures broken into various categories i.e. waste, transport, fuel and other key areas. Our review found that Forth Valley College (College) complies with PBCCD reporting which we confirmed is the applicable legislation as a Scottish college, we also confirmed submitted reports follow the same format and have all information required by the legislation.

Furthermore, we found that sustainability is being reported on as part of the annual accounts and financial statements. Please see **Section 3: Detailed Recommendations** for further information.

Roles and Responsibilities

The Sustainability Committee's responsibilities include leading, managing, and monitoring all climate change, environmental, and sustainability matters within the College.

The remit of the Committee includes:

| Providing strategic oversight on sustainability-related policies, strategies, and action plans;
| Recommending strategies and actions to improve environmental performance;
| Overseeing the development, implementation, and monitoring of the Net Zero Plan;
| Setting baselines and Key Performance Indicators (KPIs) to measure progress; and
| Promoting sustainability across the curriculum.

Responsibility for maintaining the Net Zero Plan is the responsibility of the Head of Estates, Facilities Management and Health & Safety with the support of the Soft Services & Sustainability Manager and the Sustainability Project Manager.

Net Zero Plan 2023 – 2027

The College has a Net Zero Plan which is a live document that is updated on an annual basis, in line with the aims and targets to monitor carbon emissions on energy, transport, travel and waste.

The delivery of the Net Zero Plan focuses on four key areas, inspired by the Climate Action Roadmap for Further Education Colleges. These four focus areas form the foundation of the College's approach and are referred to as the "Roots" of the organisational structure. The four Roots are:

| Leadership - The College requires strong leadership with a clear understanding of its responsibilities, alongside the necessary finances and procurement practices to support effective action.
| Development - The College will develop new approaches to track emissions, adapt to climate change, and offset any remaining emissions.
| Engagement - The College will work collaboratively with students, staff, and partners to inspire meaningful change and encourage well-informed, sustainable choices.
| Operations - The College's main emissions currently come from day-to-day campus operations, primarily heating and lighting. Reducing these emissions will also improve the campus environment for students.

Together, these Roots support the College's overall sustainability goals by guiding actions and responsibilities across the College.

The College is committed to supporting Scotland's net zero goals. However, it does not currently have the funding needed to achieve them. Recent studies at the College, part-funded by the Scottish Government, show that a 30–40% reduction in carbon emissions is possible. But delivering this would cost around £21 million, an amount the College cannot fund alone. This reflects a wider challenge across the sector, without increased and ongoing investment from government, colleges will struggle to meet national climate targets.

Baseline

The College established its carbon emissions baseline in the academic year 2013/14, aligning with the first year of reporting under the PBCCD framework.

Emissions captured in the baseline include those from natural gas (primarily for heating), electricity consumption, and refrigerant gases from cooling and air conditioning systems. It also accounts for emissions associated with water supply and treatment, waste disposal (including landfill, recycling, and composting), fleet vehicles owned by the College, and staff business travel. Additionally, estimated emissions from homeworking are included. These sources collectively span Scope 1 (direct emissions), Scope 2 (indirect energy emissions), and selected Scope 3 (other indirect emissions).

The College has set an interim target to reduce emissions to 42% of 2013/14 levels by 2027/28, with a long-term objective of achieving net zero carbon emissions by 2040.

Performance

In Spring 2025, the Net Zero Plan underwent its annual review, which outlined the Scottish College's 10 key actions. As of Spring 2025, 8 out of 10 actions were reported to be on track, while 2 were identified as off track. The most noteworthy of these was: *'Support Scotland's efforts to achieve net-zero climate emissions by 2045 or earlier if possible, with Scotland's Colleges aiming to achieve net-zero by 2040 or earlier - Some reductions achieved compared to pre-COVID emissions, however, overall emissions are behind Net Zero Plan's expectations.'* Please see **Section 3: Detailed Recommendations** for further information.

We reviewed the College's historic emissions data covering the period from 2013/2014 to 2023/2024. This data, collected and reported by the College, includes information on carbon emissions related to electricity use, water consumption, waste, travel, and working from home. The detailed figures and trends are shown below:

Historic Emissions (tCO2e)
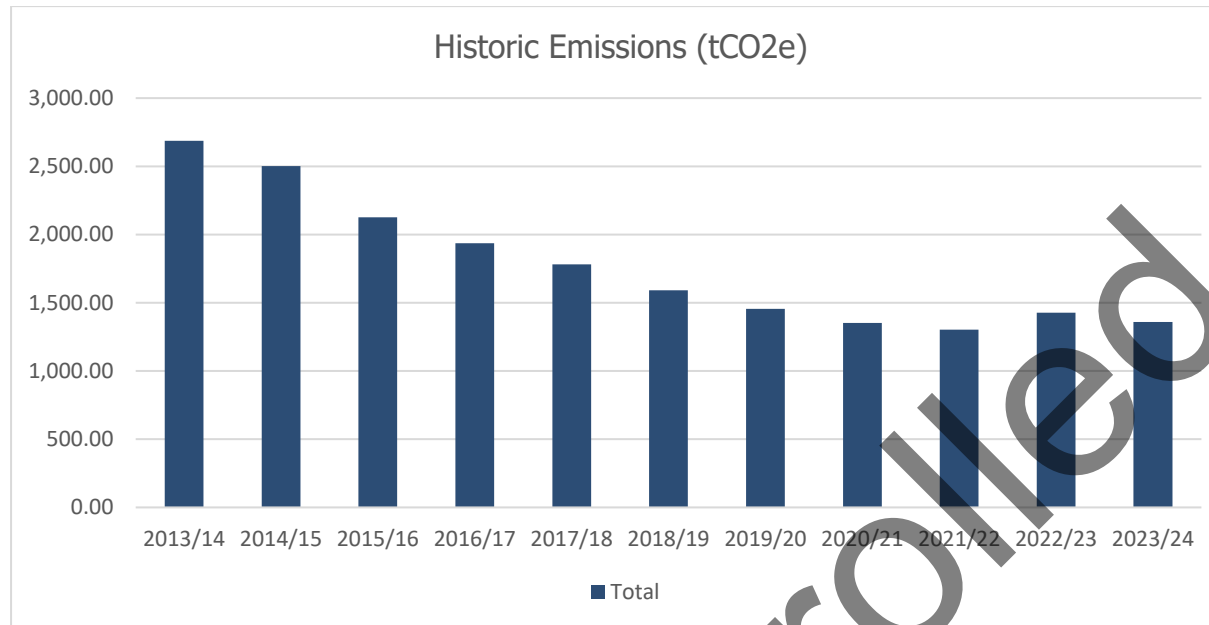
From 2013/14 to 2019/20, total emissions steadily decreased, showing progress in reducing environmental impact. In 2020/21, emissions rose slightly, likely due to changes caused by the COVID-19. However, levels remained much lower than in previous years. After that, emissions stayed stable at a lower level, indicating continued efforts to manage and reduce emissions effectively. Overall, the data shows a clear long-term improvement.

Reporting

From our review of the Sustainability Committee meeting minutes from September 2024 and May 2025, we found that the committee meets quarterly to monitor progress toward its goals. Furthermore, we confirmed that historic emissions figures are reported on and compared to on an annual basis.

Work Undertaken

Our work undertaken for this review included the following:

Objective 1: The College is complying with current sustainability and carbon management legislation, including the Climate Change (Scotland) Act 2009, the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, and the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.

- We reviewed the Public Bodies Climate Change Duties (PBCCD) report to assess if the College are complying with legislation.
- We reviewed the Public Bodies Climate Change Duties (PBCCD) report to confirm that sustainability is being incorporated into the College's procurement practices.
- We reviewed the Annual Report and Financial Statements for 2023–24 to assess the extent of sustainability reporting.
- We confirmed that the College engages with the Environmental Association for Universities and Colleges (EAUC) and makes use of their sustainability guidance.

Objective 2: The College has a plan in place to help meet the commitment of net zero carbon emissions by 2040 as documented within the College Net Zero Plan.

- We reviewed the College's Net Zero Action Plan for 2023–2027 to assess the commitment to achieving Net Zero by 2040.
- We reviewed the Strategic Travel Plan 2023–2027 to assess how the College is addressing travel-related emissions.
- We also reviewed the Mott MacDonald Decarbonisation Studies to understand the College's approach to identifying and planning carbon reduction measures.

Objective 3: The College has appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.

- We reviewed the Sustainability Committee's remit to confirm that clear roles and responsibilities are defined.
- We discussed the responsibilities of the Soft Services & Sustainability Manager and the Sustainability Project Manager to understand how sustainability activity is managed across the College.

| We reviewed a sample of two Sustainability Committee meeting minutes from September 2024 and March 2025 to confirm that sustainability is actively being reported.

Objective 4: The College has robust arrangements for the recording and collection of data and performance indicators in relation to this area.

| We reviewed the College's Scope 1, 2, and 3 emissions targets against actuals for 2023–24 to assess the monitoring of performance data.
| We reviewed the baseline emissions target set out in the College's Net Zero Action Plan 2023–2027 to assess how progress is measured.
| We examined historical emissions data to assess the robustness of emissions reporting.
| We reviewed the College's reported progress against the 10 Key Actions for Scottish Colleges for Spring 2025 to determine how effectively performance is being tracked.

Objective 5: The College communicates sustainability progress to external stakeholders.

| We reviewed the College's work with West Lothian College to map the curriculum to the UN Sustainable Development Goals to assess how this helps communicate sustainability progress through education.
| We reviewed the College's participation in the SDG Global Goals Teach-In to assess how it engages staff, students, and the wider community in sustainability awareness.
| We reviewed the College's sustainability award submission to assess how progress and achievements are being shared with external stakeholders.

Conclusion

Overall conclusion

Overall Conclusion: Strong
Following our review, we can provide a strong level of assurance surrounding the College's sustainability and carbon management arrangements. We have raised several good practice points and two low grade recommendations for improvement. Please see **Section 3: Detailed Recommendations** for further information.

Summary of recommendations

Grading of recommendations	High	Medium	Low	Total
Sustainability & Carbon Management	0	0	2	2

As can be seen from the above table there were no recommendations made which we have given a grading of high.

Areas of good practice

	The following is a list of areas where the College is operating effectively and following good practice.
1.	The Sustainability Committee, led by a Senior Management Team member, manages and monitors climate change and sustainability efforts. The committee includes staff from different departments and the Student Association. The Committee suggest actions to reduce carbon emissions, which are recorded in the Net Zero Plan. The Head of Estates, Facilities Management and Health & Safety is responsible for keeping the Net Zero Plan up to date, with assistance from the Soft Services & Sustainability Manager and the Sustainability Project Manager.
2.	We confirmed that the Sustainability Committee meets quarterly and actively addresses key environmental and sustainability matters relevant to the College.
3.	The College has developed a clear and detailed Net Zero Plan that outlines specific targets, timelines, and actions to reduce emissions. The plan covers a wide range of emission sources and includes regular reviews and updates.
4.	The College submitted the 2024 Public Sector Climate Change Duties (PBCCD) report to the Sustainable Scotland Network (SSN) which demonstrates compliance with statutory requirements. The College is meeting its legal duties as a public body and is actively contributing to national climate targets through transparent and accountable reporting.
5.	The College has been working with West Lothian College to learn how to map the curriculum to the UN Sustainable Development Goals and applying this to its own courses. It also took part in the SDG Global Goals Teach-In, helping to raise awareness of sustainability with staff, students, and the wider community. These actions help show the College's commitment and share progress with others.

The following is a list of areas where the College is operating effectively and following good practice.	
6.	The College has a Strategic Travel Plan for 2023–2027 that promotes sustainable travel by encouraging walking, cycling, and public transport, while reducing reliance on cars through support, training, and infrastructure changes.
7.	The College actively engages with the EAUC and uses its guidance to stay informed about evolving climate change legislation and education sector specific sustainability requirements.
8.	The College has submitted several sustainability initiatives for national awards, showing the commitment to environmental improvement.
9.	We reviewed the Public Report on Compliance with Climate Change Duties 2024 and noted that, since 2016, the College's Procurement Strategy has set out how it meets the Sustainable Procurement Duty. The current Strategy, approved in 2022, and supporting Policy embed ethical, social, and environmental considerations into procurement decisions to comply with legislation and support the College's net zero goal.
10.	The College commissioned Mott MacDonald to carry out decarbonisation studies, funded by Scottish Government grants, to help meet national targets for public sector buildings to be net zero by 2045. This approach ensures the College's plans are based on expert analysis.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

Sustainability & Carbon Management

Benchmarking				
	High	**Medium**	**Low**	**Total**
Average number of recommendations in similar audits	0	2	3	5
Number of recommendations at Forth Valley College	0	0	2	2

From the table above it can be seen that the College has a lower number of recommendations compared to those colleges it has been benchmarked against.

Sustainability Reporting in the Annual Report and Financial Statements			
Ref.	Finding and Risk	Grade	Recommendation
1.	The College should ensure that sustainability figures are reported as part of the Annual Report and Financial Statements. We found that the College's Sustainability Report within the Annual Report for 2023–24 includes high-level emissions data, noting a 72% increase in the carbon footprint due to revised government reporting requirements. However, more detailed emissions reporting, broken down by source such as natural gas, electricity, water, and waste, with clear baseline data from 2013/14 as presented in the Net Zero Plan, would be beneficial if included in the Annual Report and Financial Statements, as it also breaks down emissions by Scope 1, 2, and 3. We found from our root cause analysis that, although the College collects and reviews detailed emissions data internally, there is no clear process or requirement to include this full breakdown in the Annual Report and Financial	**Low**	We recommend that the College should integrate detailed emissions data, broken down by source and Scope 1, 2, and 3 and baseline comparisons from the Net Zero Plan into the Annual Report and Financial Statements.

wbg

	Statements. Without detailed emissions data broken down by source and Scope 1, 2, and 3 in the Annual Report and Financial Statements, stakeholders may lack clarity on the College's environmental impact and progress toward net-zero targets.		
Management response			**Responsibility and implementation date**
Reasoned Recommendation; FVC to implement and provide information within annual report/financial statements as well as FVC annual Sustainability report.			*Responsible Officer: Martin Loy* *Implementation Date: December 2025*

Establishing Interim Targets			
Ref.	Finding and Risk	Grade	Recommendation
2.	The College should set interim targets for carbon emissions, water use, and waste reduction to track the progress of their long-term goals such as net-zero by 2040. The College has committed to achieving net-zero emissions by 2040, which is in line with wider sector goals. However, there are currently no interim targets in place to measure progress toward this goal. There are no formal targets for reducing carbon emissions in the short to medium term, such as for 2030 or 2035. Additionally, the College does not have interim targets for water usage or waste reduction, even though it already operates as a zero waste-to-landfill institution. While this shows strong baseline performance in waste disposal, it does not replace the need for clear, measurable goals to reduce total waste generation or water consumption. From our root cause analysis, we found that the absence of interim environmental targets	**Low**	We recommend that the College develop and implement interim targets to support its 2040 net zero goal. These should include carbon reduction milestones for 2030 and 2035, as well as specific and measurable targets for water usage and waste reduction. Establishing these interim targets will create a clearer path toward the 2040 goal, support early identification of under performance. Progress against these targets should be reviewed and reported annually.

	appears to stem from a focus on long-term ambition without a supporting short- or medium-term framework. While the College has demonstrated intent by committing to net-zero by 2040 and by achieving zero waste to landfill, there has been no structured process to break this ambition into measurable steps. Without interim targets, the College may fall behind on its 2040 net-zero goal without recognising the shortfall early enough to take corrective action.	

Management response	Responsibility and implementation date
The College will set robust science-based targets to achieve Net Zero as an institution, once a sector-wide framework/methodology for this has been established. It is crucial that the College's targets are both ambitious and realistic. Currently frameworks such as the Science Based Targets Initiative only cover commercial businesses and not public bodies. EAUC are working to produce a new framework which is specific to the sector and we will use this to produce Science Based Targets once this is available. Until such a framework is published we will work towards the absolute targets provided by the Scottish Government (at the latest). In the interim we will work towards a target of 42% reduction in baseline Net	*Responsible Officer: Martin Loy* *Implementation Date: N/A*

Zero Emissions by 2027/28 as laid out in FVC's Net Zero Plan 2023 -2027.

Our interim targets are based on predicted reductions to
the emissions we have historically reported to Scottish
Government (predominantly from the last year of normal
operations prior to COVID-19, 2018/19).

As such these targets include the following sources of emissions:
• Natural Gas
• Electricity
• Refrigerant Gases
• Water
• Waste
• Fleet vehicles
• Business Travel
• Homeworking

These targets are based on energy usage and College operations to date.

It is also recognised that extensive financial investment is required to implement
identified sustainability and carbon reduction measures which contribute to FVC's
absolute Net Zero Emissions Target; without investment the application of interim
targets could prove non-productive.

Compulsory Annual Public Bodies Climate Change Duties Reporting also provides
platform for monitoring progress towards targets and this will be reflected in
Annual reporting and financial statements as per recommendation No. 1 above;

Sustainability Committee also provides for reporting on progress towards targets.	

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	26 May 2025
Closing meeting	2 June 2025
Draft report issued	10 June 2025
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Number of audit days	5

We detail below our staff who undertook the review together with the College staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner of Internal Audit	gg@wbg.co.uk
Director	Stephen Pringle	Director of Internal Audit	sp@wbg.co.uk
Senior	Hannah Khan	Internal Auditor	hk@wbg.co.uk

Forth Valley College			
Key Contacts:	David Allison	Vice Principal	david.allison@forthvalley.ac.uk
	Martin Loy	Head of Estates	martin.loy@forthvalley.ac.uk
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
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No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by senior management of the College as a matter of urgency.
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Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

We will review the College's compliance with legislation in this area, including the Climate Change (Scotland) Act 2009, the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, and the College's obligations under the Scottish Government's Net Zero by 2045 target.

Our review will consider the roles and responsibilities for sustainability and carbon management and assess how embedded these are within the College. We will also consider the recording and collection of data and performance indicators in relation to this area.

This review forms part of our 2024/25 Internal Audit Annual Plan.

Scope of review

Our objectives for this review are to assess if:

➢ The College is complying with current sustainability and carbon management legislation, including the Climate Change (Scotland) Act 2009, the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015, and the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.

➢ The College has a plan in place to help meet the commitment of net zero carbon emissions by 2040 as documented within the College Net Zero Plan.

➢ The College has appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.

➢ The College has robust arrangements for the recording and collection of data and performance indicators in relation to this area.

➢ The College communicates sustainability progress to external stakeholders

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope
There is no limitation of scope.

Audit approach
Our approach to the review will be:

- Discussion with key personnel to establish the current Sustainability and Carbon Management arrangements in place.

- Evaluating these arrangements to confirm their adequacy and whether they comply with current legislation and good practice.

- Review of documentation to confirm that policies and procedures are in place and that current arrangements comply with good practice.

- Review of the reporting arrangements in place with clear roles and responsibilities assigned.

- Review the arrangements in place for the recording and collection of data.

- Review of the Net Zero Plan.

- Review of the arrangements in place surrounding communication to external stakeholders.

Potential key risks

The potential key risks associated with the area under review are:

| The College is not complying with current sustainability and carbon management legislation

| The College does not have a plan in place to help meet the commitment of net zero carbon emissions as documented within the College Net Zero Plan.

| The College does not have appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.

| The College does not have robust arrangements for the recording and collection of data and performance indicators in relation to this area.

| The College does not communicate sustainability progress to external stakeholders.

wbg

Forth Valley College

Internal Audit
2024-25

Overall Conclusion

Strong

Table of contents

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Forth Valley College's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

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Overview

Purpose of review

The purpose of this review was to assess the suitability of the College's student support services. Our review considered the types of services offered, the levels of demand for the services as well as the affordability of the services and whether they are delivering value for money.

Scope of review

Our objectives for this review were to assess whether:

➢ Students are aware of the support services being offered by the College.

➢ The types of services offered are in line with student expectations.

➢ The levels of demand of each support services are being monitored.

➢ There is a budget in place for support services which is being monitored.

Limitation of scope

There was no limitation of scope.

1 Executive summary

Background Information

The Inclusion and Student Services section of the College includes the following functions:

- Equality & Diversity;
- Learning Support;
- Support & Guidance;
- Flexible Learning;
- Mental Health & Wellbeing; and
- Learning Resources Centres.

The key aims of the Inclusion and Student Services section are to "support students to develop the skills and resilience to achieve their educational outcomes regardless of what challenges or barriers they may face" and "support students to stay at the College and achieve".

The Inclusion and Student Services department comprises two service teams; Student Support and Learning Services and consists of the following personnel:

- The Head of Inclusion & Student Services;
- Student Support Manager (1 Full Time Equivalent (FTE));
- Learning Services Managers (1.2 FTE);
- Learning Support Advisors (5 FTEs);
- Support & Guidance Advisors (4 FTEs);
- Mental Health Mentors (1.81 FTE);
- Learning Skills & Resource Assistants (10.36 FTE); and
- Inclusion & Student Services Administrator (1FTE).

Awareness of Services Provided

The services provided by the Student Support Services Team are promoted at an early stage of a student's learning journey. Once the student receives an offer, they are required to complete the enrolment and pre-entry induction process via the online Applicant Portal. This portal contains links to support and advice information and documentation. The pre-entry induction also contains a section on student support. All students at the College are required to complete the enrolment and pre-entry induction process prior to commencing their course.

The College's public facing website also has a section relating to student support and advice which details the services available. These pages also have links to resource documents, further information and forms as well as contact details for the appropriate staff.

Throughout the College campuses there are TV screens which provide information on a variety of activities etc., at the College. These include information in respect of the services provided by the Inclusion and Student Services Section and the support available to the students. There are also information leaflets readily available to all students if required.

The student help desk is situated in a highly visible area of the College, which acts as a main point of contact for students requiring support.

Feedback of Services Provided

The College wide surveys (Listening to Learners) is a way to obtain feedback from students in respect of their experience while studying at the College. The surveys take place twice a year towards the end of each teaching block. The Block 1 feedback is collected via group discussions with the whole class with a range of topics being explored. The Block 2 feedback is collected via individual responses to a standardised survey. This process is driven by the Learning & Quality Department; however, the Inclusion and Student Services Section help to devise the questions to be included in the surveys in respect of the student support provided. The questions considered in the Block 1 feedback sessions included whether the students:

| Thought the College supported their wellbeing;
| Thought the support and guidance available helped them stay at the College and be successful in their studies;
| Thought there was sufficient support and guidance available; and
| Knew where to go and who to contact if they needed support.

The individual Teams also undertake their own feedback from students with various forms being used to collate feedback on the services provided. This includes:

| student feedback of 1 to 1 support;
| Project evaluation reports; and
| Individual service area feedback questionnaire on specific activities.

The outcomes from the above are considered by the individual Teams with remedial action being put in place to address any negative responses.

Monitoring of Services Provided

The Inclusion and Student Services section have a variety of reports and data which they use to help monitor the service they provide to students. They undertake an annual self-evaluation exercise which includes considering the number of referrals received and whether these transpired into support being provided to the student.

The Section also has several working groups which discuss the services and how these can be improved, streamlined and made more efficient.

An Early Student Experience and Satisfaction survey is undertaken each year. Included in this survey is a question around the Inclusion and Student Services provision, i.e. awareness of support etc. The results are analysed for year-on-year changes to identify areas for improvement. These results are used to feed into the annual self-evaluation exercise carried out by the Team.

On a six-weekly basis the Management Leadership Team meet. At these meetings the outcomes from the student support services provided are discussed. The Service Managers also meet with their respective Teams on a six-weekly basis. These meetings discuss current caseloads, outcomes of the support provided, referrals since previous meeting, uptake of the services offered, potential issues, potential improvements to the services offered, and any new initiatives. **See section 3 for recommendation in relation to the minuting of these meetings.**

The individual Teams undertake their own monitoring of the demand for the services they provide. The outcomes from these are used to assess which services are being used and which are not being used by the students. This then helps inform which services should continue to be offered and which services could be removed. This information is used to inform the Section's operational plan for the coming year.

Work Undertaken

We completed the following work in line with each objective:

Objective 1: Students are aware of the support services being offered by the College.

| We discussed with the Head of Inclusion & Student Services the different ways that students are made aware of the support available to them.

| We assessed whether these methods were appropriate.

| We also considered whether feedback is obtained from the students regarding the methods used to highlight the available support services.

Objective 2: The types of services offered are in line with student expectations.

| We discussed with the Head of Inclusion & Student Services the different support available within the College.

| We considered whether feedback is obtained from the students to confirm whether the support available is relevant and in line with their expectations.

Objective 3: The levels of demand of each support service is being monitored.

| We established whether the levels of demand for each support services are being monitored.

| We reviewed how these are monitored and the frequency of this monitoring.

| We obtained details of the levels of demand for each support service to determine which service is in most demand and which services are not being used. Where applicable we established reasons for services not being utilised.

Objective 4: There is a budget in place for support services which is being monitored.

| We obtained and reviewed the budget for the support services.

| We established who and how the budget is monitored and the frequency of this monitoring.

Conclusion

Overall conclusion

Overall Conclusion: Strong
We can provide a strong level of assurance over the College's student support services. We have raised one low grade recommendation in respect of these arrangements. We have also raised six good practice points.

Summary of recommendations

Grading of recommendations				
	High	Medium	Low	Total
Student Support	0	0	1	1

As can be seen from the above table there were no recommendations made which we have given a grading of high.

Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.	
1.	The College has a variety of methods and mediums for raising awareness of the support services they offer. This includes via the College's virtual learning platform, the College's website, on TV screens and literature displays within the College and as part of the student induction sessions.
2.	The College uses a management and information system (Triple S) to record and track the students utilising the services. In this way all staff involved can view the students' record and see the services provided to the students as well as the contact made with these students. The Triple S system provides a full history of support and contacts with the student during their time at the College.
3.	The College uses a variety of surveys and feedback forms to gauge the students' expectations and experience when using the services provided by the Inclusion and Student Services section. These include: the Listening to Students surveys, the Get Ready 2 Learn survey, study skills class workshop feedback forms and 1to1 support for students with additional support needs feedback forms.
4.	The College monitors the demand for each service offered via a variety of methods. These include Learning Services Annual Report, Learning Services service area monitoring reports, Support & Guidance Advisor daily statistics, Learning Support Advisor monthly case load monitoring and reports to the Leadership Management Team.
5.	The monthly budget statements are used to monitor the costs of the services provided by the Inclusion and Student Services section. These are received from finance each month with the Head of Inclusion & Student Services responsible for these budgets.

The following is a list of areas where the College is operating effectively and following good practice.	
6.	All curriculum areas have been allocated a Support & Guidance Adviser (SGA) as well as a Learning Support Adviser (LSA). In this way the curriculum staff and the students of the curriculum areas have a named person they can contact if they have any concerns or want to discuss potential support. It also means that the curriculum staff, including curriculum Learner Development Workers (LDWs) have a named person they can contact to discuss potential support or referrals for a student.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

Student Support

Benchmarking				
	High	**Medium**	**Low**	**Total**
Average number of recommendations in similar audits	0	0	0	0
Number of recommendations at Forth Valley College	0	0	1	1

From the table above it can be seen that the College has a higher number of recommendations compared to those colleges it has been benchmarked against.

Minuting Meetings			
Ref.	Finding and Risk	Grade	Recommendation
1.	There should be a documented record of the discussions which took place at the individual Team and Management meetings. This will help ensure that everyone is aware of what was discussed and the action agreed. From our discussion with the Head of Inclusion & Student Services, we were informed that these meetings are not formally minuted. From our root cause analysis, we found that this was a legacy issue which the Head of Inclusion & Student Services and the Team were looking to rectify. If meetings are not minuted, then there is not an agreed record of what was discussed at these meetings which could result in actions not being completed.	**Low**	We recommend that all individual Teams, working groups and Management Team meetings are minuted with actions from the meeting being clearly noted. These minutes should be circulated to all those at the meeting to ensure that these are a true and fair record of what was discussed and agreed at the meetings.

Management response	Responsibility and implementation date
Accept recommendation – as discussed during the audit period, this is an area that had already been identified for action for the forthcoming academic year, as part of the TQER process the college undertook in May 2025.	*Responsible Officer:* Sarah Tervit, Head of Inclusion & Student Services *Implementation Date:* August 2025

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	9 June 2025
Closing meeting	13 June 2025
Draft report issued	26 June 2025
Receipt of management responses	18 July 2025
Final report issued	7 August 2025
Audit Committee	September 2025
Number of audit days	4 days

We detail below our staff who undertook the review together with the College's staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner	gg@wbg.co.uk
Director	Stephen Pringle	Director of Internal Audit	sp@wbg.co.uk
Supervisor	Audrey Cowan	Internal Auditor Supervisor & Funding Manager	ac@wbg.co.uk

Forth Valley College			
Key Contacts:	Sarah Tervit	Head of Inclusion & Student Services	sarah.tervit@forthvalley.ac.uk
	Alison Stewart	Vice Principle of Finance & Corporate Affairs	alison.stewart@forthvalley.ac.uk
	Mary McEwan	Learner Development Worker	mary.mcewan@forthvalley.ac.uk
	Colin McGeoch	Curriculum Manager	colin.mcgeoch@forthvalley.ac.uk
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

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For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the College as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of this review will be to assess the suitability of the College's student support services. Our review will consider the types of services offered, the levels of demand for the services as well as the affordability of the services and whether they are delivering value for money.

Scope of review

Our objectives for this review are to assess whether:

| Students are aware of the support services being offered by the College.

| The types of services offered are in line with student expectations.

| The levels of demand of each support service are being monitored.

| There is a budget in place for support services which is being monitored.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

| Obtaining and reviewing the relevant policies and procedures to confirm that these exist and are fit for purpose.

| Discussions with staff to establish the different support available within the College. We shall consider whether feedback is obtained from the students to confirm whether the support available is relevant and in line with their expectations.

| Discussion with relevant staff to establish the different ways that students are made aware of the support available to them. We shall assess whether these methods are appropriate. We shall also consider whether feedback is obtained from the students regarding the methods used to highlight the available support services.

| Establishing whether the levels of demand for each support services is being monitored. We shall review how this is monitored and the frequency of the monitoring. We shall obtain details of the levels of demand for each support service to ascertain which service is in most demand and which services are not being used. We shall try to establish any reasons for services not being utilised.

| Obtaining and reviewing the budget for the support services. We shall establish who and how the budget is monitored and the frequency of this monitoring.

Potential key risks

The potential key risks associated with the area under review are:

| Students are not aware of the support services being offered by the College, which could result in students stopping attending due to them not receiving the support they require.

| The types of services offered are not in line with student expectations, which could have an impact on retention of these students.

| The levels of demand of each support service are not being monitored, which could result in resources being allocated to services which are not being utilised.

| There is either no budget in place for support services or the budget is not being monitored, which could result in the cost of the services provided being unsustainable.

wbg

Forth Valley College

Internal Audit 2024/25

Follow Up Review

May 2025

Overall Conclusion

Substantial

Table of Contents

Disclaimer

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

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1. Executive Summary

Purpose of Review

The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work sought to provide the College's Audit Committee with assurance that prior year recommendations were implemented within the expected timescales.

This review formed part of the agreed 2024/25 Annual Internal Audit Plan.

Scope of Review

Our objective for this review was to assess whether:

| The College has appropriately implemented any outstanding internal audit recommendations made in prior years.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

1. Executive Summary

Conclusion

Overall Conclusion: Substantial
Following our review, we can provide a substantial level of assurance that the College has endeavoured to implement internal audit recommendations made in 2023/24 and earlier years. This is highlighted as 4 of the 8 recommendations made have been fully implemented, 3 recommendations being partially implemented and 1 recommendation not implemented. Please refer to **Appendix A and B** for further information.

Summary of Recommendations

Grading of Recommendations	High	Medium	Low	Total
Appendix A – Not Implemented Recommendations	-	-	1	1
Appendix B – Partially Implemented Recommendations	1	1	1	3
Fully Implemented Recommendations	-	-	4	4

We have not included fully implemented recommendations as an appendix, however details of these recommendations are available upon request

1. Executive Summary

Summary of Recommendations by Grade

Fully Implemented

Partially Implemented

Not Implemented

4

1

1

1
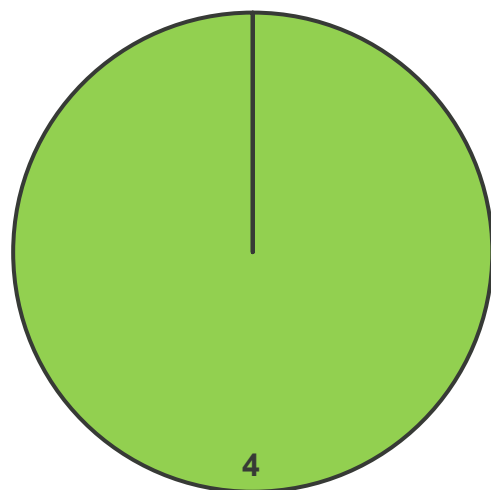
■High ■Medium ■Low
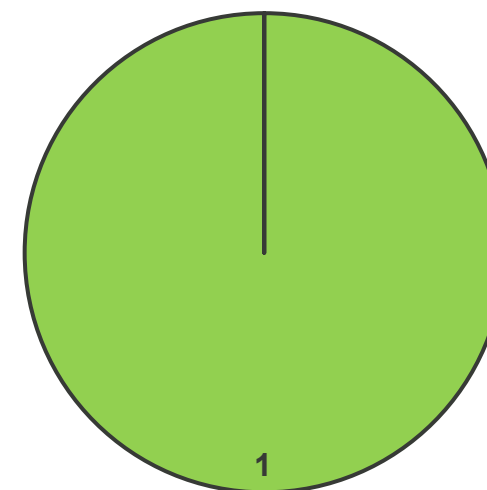
■High ■Medium ■Low

■High ■Medium ■Low

1. Executive Summary

Implementation of Recommendations – Summary of Implementation

Audit Area	Total	Not Implemented	Partially Implemented	Fully Implemented
Strategic Planning	2		2	
Overall Financial Controls	1			1
Estates Management: Maintenance	2			2
Follow Up 2023/24	3	1	1	1
Total	**8**	**1**	**3**	**4**
Percentage of Total	**100%**	**12%**	**38%**	**50%**

1. Executive Summary

Breakdown of Recommendations by status of implementation, from 2023/24 and earlier years

	Strategic Planning	Overall Financial Controls	Estates Mangement: Maintenance	Follow Up 2023/24
Not Implemented				1
Partially Implemented	2			1
Fully Implemented		1	2	1
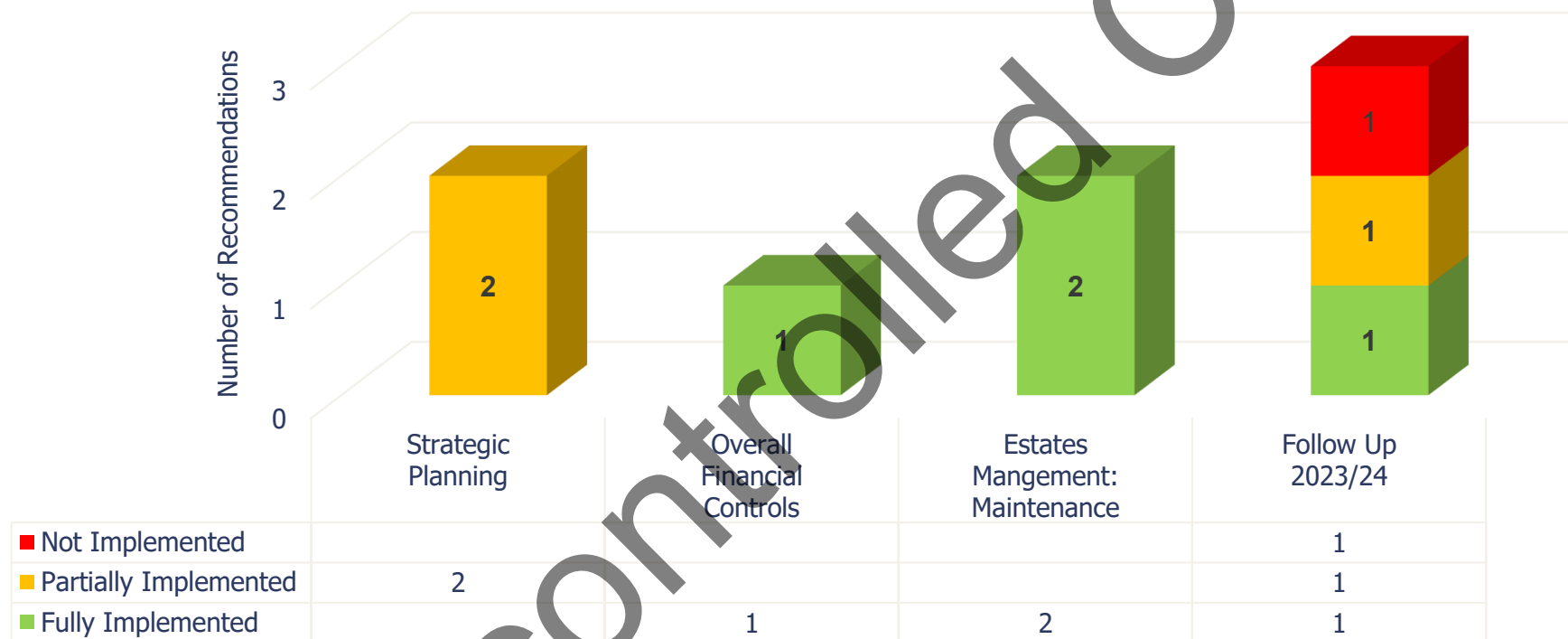
2. Audit Arrangements

The table below details the dates of our fieldwork and the reporting of the audit area under review.

Audit Stage	Date
Fieldwork start	12 May 2025
Closing Meeting	13 May 2025
Draft report issued	23 May 2025
Receipt of management responses	27 August 2025
Final report issued	27 August 2025
Audit Committee	4 September 2025
No of audit days	2

2. Audit Arrangements

We detail below our staff who undertook the review together with the College staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner	gg@wbg.co.uk
Director	Stephen Pingle	Director	sp@wbg.co.uk
Auditor	Ailsa Gourlay	Internal Auditor	amg@wbg.co.uk

Forth Valley College			
Key Contact:	Stephen Jarvie	Corporate Governance and Planning Officer	stephen.jarvie@forthvalley.ac.uk

Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.

Appendix A

Not Implemented Recommendations

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Budgets are controlled in accordance with the Financial Regulations and Procedures, Follow Up, May 2024

Original Finding
The Audit Scotland report Scotland`s Colleges 2022 noted that `in the context of growing financial challenges and uncertainties, medium-term financial planning based on as much information as possible is more important than ever. In May 2022, the Scottish Government announced its multi-year spending plans up to 2026/27. This shows a flat cash settlement for the SFC over the next four years, equating to an eight per cent reduction in real terms`. Audit Scotland recognised that `to support colleges in planning for and implementing proposed changes over the longer term, the Scottish Government and the SFC need to clarify expectations and priorities for the sector for the medium and long term, and the funding available to deliver them`.

As noted above, the College does not currently have a specific Finance Strategy or Financial Plan document in place, and the FFR is the main tool utilized by the College for financial planning. The FFR is based on assumptions provided to the college sector, which the SFC had instructed much achieve a balanced adjusted operating position, and these assumptions do not align with the College`s own assumptions (although for 2022-27 the College also prepared forecasts based on the Finance Directors Network assumptions, with no staff reductions made).

The Director of Finance advised that the FFR will be moving from five to two-year forecasts, and therefore it will be important for the College to develop separate medium-term financial plans moving forward.

Original Recommendation
The College should develop realistic medium-term financial plans and forecasts to supplement the annual FFR and help to identify and mitigate emerging risks to its medium to long term financial sustainability.

Finding from our 2023/24 Follow Up
Financial Plans have not been developed due to the late announcement of indicative funding levels for this year.

Recommendation from our 2023/24 Follow Up
The original recommendation was reiterated.

A. Not Implemented Recommendations

Budgets are controlled in accordance with the Financial Regulations and Procedures, Follow Up, May 2024			
Ref	**Finding from our 2024/25 Follow Up**	**Grade**	**Recommendation**
1.	We were informed that this recommendation is no longer directly relevant to the College's financial planning process due to a lack of available information from the Scottish Funding Council. However, as it aligns with wider financial planning work currently underway, the Audit Committee has requested that the recommendation remain in place in the interim to allow for continued tracking of the overall financial review.	**Low**	We recommend the College continue their efforts to complete the wider financial review of the College.
Management Response		**Responsibility and Implementation Date**	
Per discussion with Audit Committee in November 2024, this continues to be a factor in the wider College financial review. Members were also informed that there is no end date for this at this time but that they will be advised when this can be set.		*Responsible Officer: Alison Stewart* *Implementation Date: Open*	

Appendix B

Partially Implemented Recommendations

B. Partially Implemented Recommendations

Progress against the Strategic Plan, Strategic Planning, February 2024

Original Finding

An organisation should report on its progress against the strategic objectives set out within its Strategic Plan. This should be done by assessing the progress of the objectives underpinning the Strategic Plan.

Our review found that the College is unable to assess whether it is meeting its strategic objectives, and Strategic Plan, as several of the College`s objectives are not measurable to enable consistent reporting on progress.

There is a risk that without assessing its progress, the College may be severely underperforming against its objectives without understanding its position, which could lead to it not delivering on its long-term objectives.

Original Recommendation

We recommend the College uses SMART objectives to enable monitoring, and that the progress against these objectives is regularly reported to the Board of Management.
This will require that each measure is:
S – Specific
M- Measurable
A – Achievable
R – Realistic
T – Timely.

Ref	Finding from our 2024/25 Follow Up	Grade	Recommendation
1.	The College provided us with a copy of the new 2025-2030 Strategic Plan. The new plan includes clear, SMART objectives to measure progress against the plan. New and interactive dashboards have been developed; however, they are not due to be presented to the Board until June 2025.	**High**	We recommend the College ensures that the Strategic Plan dashboards are presented at the next Board meeting and all subsequent further meetings.

B. Partially Implemented Recommendations

Management Response	Responsibility and Implementation Date
A dashboard for strategic plan monitoring has now been developed and was presented to the June 2025 Board of Management meeting. This recommendation is now considered complete	*Responsible Officer: Kenny MacInnes* *Implementation Date: Complete*

B. Partially Implemented Recommendations

Strategic Planning Progress, Strategic Planning, February 2024

Original Finding

There should be an agreed planning process for the creation of a new Strategic Plan to ensure that it has been developed through consultations with the organisations Board, Senior Management, its staff members, and other key stakeholders.

The Strategic Plan 2022-2025 followed a planning process that involved consulting with the Board of Management and other key stakeholders. Our review found the planning process was not documented and that no exercise took place to identify all key stakeholders and the required consultation with said stakeholders.

There is a risk that without retaining documentation relating to the planning process, lessons learned cannot be documented, resulting in future Strategic Plans potentially not being as valuable to the College.

Original Recommendation

We recommend that the College documents the strategic planning process including: key steps, stakeholder engagement and other key areas. Documentation gathered in the planning process should be retained.

Ref	Finding from our 2024/25 Follow Up	Grade	Recommendation
2.	We were provided with a timetable outlining each step of the process and the main consultation groups involved at each stage. Work is ongoing by the Principal to gather all relevant documents into a central location.	**Medium**	We recommend the Principal continues their efforts to collate the planning process documentation into a central hub on SharePoint.

B. Partially Implemented Recommendations

Management Response	Responsibility and Implementation Date
Process document and timeline created. Completed	*Responsible Officer: Kenny MacInnes* *Implementation Date: Complete*

B. Partially Implemented Recommendations

IT Network Arrangements/Cyber Security, Follow Up, September 2023

Original Recommendation
A risk-based approach should be adopted to enabling critical logs to improve endpoint security. Examples of critical logs include:

| Local user and group remuneration.
| Logon attempts with local accounts.
| Logon with explicit credentials.
| Plug-and-play device connections (e.g., USBs).
| Process Creation.
| File Creation.
| Script block logging
| PowerShell providers loaded.

Finding for 2022/23 Follow up

The Completion of this recommendation is also contingent on a service from JISC. They paused the service towards the end of 22 owing to demand levels and only reopened it for companies to book in May 23. The level of demand means the College is unable to anticipate a completion date and management noted that this has been reported to the Audit Committee.

Recommendation for 2022/23 Follow up
The original recommendation was reiterated.

Finding for 2023/24 Follow up
The College is continuing to work with third-party, JISC, to implement a risk-based approach to their logs.

Recommendation for 2023/24 Follow up
The original recommendation was reiterated.

B. Partially Implemented Recommendations

IT Network Arrangements/Cyber Security, Follow Up, September 2023			
Ref	**Finding from our 2024/25 Follow Up**	**Grade**	**Recommendation**
3.	At the time of our review, the College informed us that JISC onboarding became available at the end of 2024. However, the associated cost is not considered viable for the College at this time. Alternative solutions are currently being explored to ensure value for money.	**Low**	We recommend the College seek alternative solutions to introduce a SIEM at the earliest convenience, whilst ensuring value for money is upheld.
Management Response		**Responsibility and Implementation Date**	
Following a significant period of delay, JISC are now actively engaging and progress towards a SIEM is moving forward		*Responsible Officer: Colin McMurray* *Implementation Date: October 2025*	

Appendix C

Grading Structure

C. Grading Structure

For each area of review, we assign a grading in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation we make we assign a grading either as High, Medium, or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Risk	Classification
High	High Risk	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency
Medium	Medium Risk	Significant issue or weakness which should be addressed by the College as soon as possible
Low	Low Risk	Minor issue or weakness reported where management may wish to consider our recommendation

Appendix D

Assignment Plan

D. Assignment Plan

Purpose of review

The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work will provide the College's Audit Committee with assurance that prior year recommendations are implemented within the expected timescales.

This review forms part of the agreed 2024/25 Internal Audit Plan.

Scope of review

Our objective for this review is to assess whether:

| The College has appropriately implemented any outstanding internal audit recommendations made in prior years.

Audit Approach

Our approach to the review will be:

| To review outstanding recommendations and gain audit evidence to ensure that these have been addressed by the College.

Potential Key Risk

The potential key risk associated with the area under review is:

| The College does not address the areas of concern which may significantly affect its ability to continue to operate.

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. This report provides assurance to the Committee that the College is appropriately managing all internal and external audit recommendations.

4. Summary of Changes

Recommendations contained within the reports presented to the May 2025 Committee meeting have been incorporated into the tracker. The attached annex contains an update on progress against recommendations.

Progress is beginning to be made on the implementation of audit recommendation 1, as outlined in the comment in the tracker. A revised implementation date has been set for October 2025.

For recommendation 4, the completion date has been revised to October 2025 to reflect the audit work being undertaken in September 2025.

There has been a slight change in the completion date for recommendation 9 to allow for any feedback on the Board development plan to be incorporated.

Overall 5 of the 9 current recommendations have reached a stage where the college considers them to be completed. A summary of progress is overleaf.

	No Priority	Priority 1/ High	Priority 2/ Medium	Priority 3/ Low	Total
Live within date	0	0	0	2	2
Live recommendation passed implementation date	0	0	0	2	2
Completed since last report to Committee	0	1	1	3	5
Recommended for removal	0	0	0	0	0

5. Resource Implications (Financial, People, Estates and Communications)

This is a summary report so there are no specific resource implications

6. Equalities

This is a summary report so there are no equalities implications

7. Communities and Partners

None

8. Risk and Impact

Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

If the paper is an approval, please reflect on whether the approval will have any direct or indirect impact for any other areas of operational activity internally or externally within the College – No

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)	X	X
Very Low (1)		

Total Risk Score – 4

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)					
Cautious <15		**Open 15> <20**		**Eager >20**	
Governance	X	Strategy		People	
Legal		Financial		Project/Programme	
Property		Reputational			
		Technology			

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

Is the score above the Board Risk Appetite level? No

Risk Owner – Alison Stewart
Paper Author – Stephen Jarvie

Action Owner – 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	IT Network Arrangements/Cyber Security	Nov-21	Colin McMurray	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	August 2025 - JISC visited midweek - follow-up meeting held yesterday. Action now with GR to provide JANET/JISC with a full list of servers and their functions. JISC will then confirm traffic is below the 10GB ingestion rate and issue a formal quote (c.£24k p.a.) Expected Implementation Oct 25 April 25 - Discussions are ongoing with Jisc due to the rising cost of their offering, with alternative solutions being explored. November 24 - Jisc have re-engaged with on-boarding to their new offering, and revised pre-boarding paperwork and tasks have been completed by the College. August 24 - Still engaging with Jisc, however no confirmed date for on-boarding. April 24 - No change November 23 - The College has continued to engage with preparations for entering a SIEM, and updated logs have been provided to Jisc, however there is no confirmed date for on boarding. August 23 - No change at this time May 23 - JISC have had to radically change it's SIEM offering, which	31/08/2022	30/10/2025		
2	Strategic Planning	Feb-24	Kenny MacInnes	Kenny MacInnes	Progress against the Strategic Plan - We recommend the College uses SMART objectives to enable monitoring, and that the progress against these objectives is regularly reported to the Board of Management.	The College acknowledges that the current Strategic and Operational plans not having measurable objectives is a weakness. While there is significant reporting at Board and Committee levels on progress against key metrics, we acknowledge that this information is not easily attributable to the Strategic Plan objectives. The Principal and Senior Management Team are currently planning a new Strategic Plan and corresponding Operational objectives, involving significant internal and external shareholder consultation, and commit to developing plan objectives that are, wherever possible, quantitative. A Strategic Plan dashboard showing progress of Board approved metrics will be presented as a standing item at all Board meetings from academic year 24/25.	High	August 2025 Dashboard presented to June Board meeting. April 25 The College's new strategic plan is now complete and was launched in Jan 25. A strategic plan dashboard has been created and was planned to be taken to the April Board but due to Board time constraints has been pushed back to the June Board. Nov 24 The new strategic plan has been to the BoM and signed off in terms of purpose, values, aims and objectives. The draft corporate document will be brought to the Board in December with a planned launch in January 2025. August 24 - New strategic plan is work in progress and will be taken to the Board at the end of September. Strategic Plan dashboard showing progress of Board approved metrics will be discussed with the new Chair to review required metrics.	Aug-24	Jun-25	June Board meeting minute	Yes
3	Strategic Planning	Feb-24	Kenny MacInnes	Kenny MacInnes	Strategic Planning process - We recommend that the College documents the strategic planning process including: key steps, stakeholder engagement and other key areas. Documentation gathered in the planning process should be retained.	The College will ensure the planning process, stakeholder consultation and Board of Management involvement is codified in a comprehensive procedure and that appropriate records are maintained.	Medium	August 25 - this has now been complete and procedure and timeline completed April 25 The strategic planning process for the 25-30 strategic plan is now complete and is currently being collated into a storage file. Nov 24- Archive of strategic planning process will be completed by Dec 2024. August 24 - The relevant planning, consultation, BoM involvement in the strategic planning process is available for this strategic cycle, but has yet to be collated in a centralised record. New date estimated for Sept 24.	Apr-24	Aug-25	Procedure	
4	Credits Audit 23/24	Sep-24	Alison Stewart	Leslie Burn	We recommend the College ensures courses are correctly classified on the FES and ensures that credits are claimed for fundable students in line with the SFC guidance.	Prior to any future FES returns an additional check on HEI funded students will be undertaken to ensure that HEI funding is still the relevant recorded funding route.	Low	August 25 - No further update Apr 25 - This will be actioned for the next FES return at the end of the academic year	31/07/2025	Oct-25		
5	Budgetary Control	May-23	Alison Stewart	Senga McKerr	The College should develop realistic medium-term financial plans and forecasts to supplement the annual FFR and help to identify and mitigate emerging risks to its medium to long term financial sustainability.	The ability to develop sensible medium term plans depends on receiving 3-year funding allocations. SFC has acknowledged that Budget plus one further year is sufficient, and this is expected to be the FFR requirement in June. We will discuss with the Finance Committee members the level of forward planning they would like to see and we will look to develop these plans when we have additional clarity around key assumptions.	3	August 2025 - No further update Apr 25 Following discussion at the November 24 meeting where removal had been recommended as per the comment below, it was agreed to keep this on the register. This now forms part of the wider College financial review so the end date has been removed. The Committee will be informed at the relevant time when the recommendation can said to be complete November 24 - Due to the ongoing budgetary issues it is not possible to prepare medium term financial plans. August 24 - No change April 24 - with the late announcement of the indicative funding levels this year, it has not yet been possible to develop these plans and discuss them with the Board Committee. The college will take information to the Finance, Resource and Infrastructure Committee later this year November 23 - discussion with FRAIC outstanding. August 23 - To be discussed at Finance, Resource and Infrastructure committee in Sept 23.	30/11/2023	None		
6	Fraud Awareness	Jan-25	Alison Stewart	Senga McKerr	We recommend that a process is put in place to ensure that no purchases can be made/works be completed without an approved purchase or work order. We also recommend that where required; training is provided to employees involved in the purchasing process to ensure they understand the importance of raising purchase orders.	The invoice prior to PO in question was during the transition period to the no PO no Payment policy. The issue of retrospective POs being raised by departments is being addressed, and reminders to staff and suppliers will be sent. Following this, the finance staff will start to return invoices to suppliers without appropriately quoted PO numbers, and this inconvenience should reinforce the process for all.	Low	August 25 - now implemented	31/03/2025		Emails	Yes

7	Fraud Awareness	Jan-25	Alison Stewart	Senga McKerr	We recommend that the College document the date/time of the telephone call with the supplier and the outcome of the discussion when reviewing changes in supplier bank details.	The Finance team will add a comment within the new supplier record in our accounting system and for non-supplier payments a call log has been created. We will note the phone number that was called, the date and the contact spoken with confirming the change to supplier bank details.	Low	August 25 - now implemented	Immediate Effect		Audit trail from Finance System	Yes
8	Fraud Awareness	Jan-25	Alison Stewart	Senga McKerr	During our review, we found that the College has a detailed Financial Regulations document. We do note, however, that there is no reference to the following within the Regulations: Monitoring of Dormant Bank Accounts; New Supplier Set Up; and Changing of Bank Details for Staff and Suppliers. We recommend that the College includes sections on the aforementioned areas within their Financial Regulations. There is a risk that the Financial Regulations do not adequately outline all financial processes within the College.	These 3 items will be added to the Financial Regulations at the next review. We do not feel the need to do a separate update specifically for these items as they are all documented within the Finance department procedures.	Low	August 2025 - Updated financial regulations approved by Finance Committee in March 2025.	March 2027, or before if there is an interim update.		Updated Financial Regulations	Yes
9	Corporate Governance	Apr-25	N/A	Board Secretary	We recommend that the College establish a Development Plan for Board Members which will be subject for an annual review.	Agreed. A development plan will be put in place for the Board of Management.	Low	August 25 - Development plan will be presented for approval at the December Board meeting	Sep-25	Dec-25		

1. Purpose

To present the current strategic risk register to members.

2. Recommendation

That members consider the strategic risk register and comment on the content.

3. Background

The strategic risk register is presented at each meeting of the Audit Committee and annually to the Board so that members may review and comment on those risks deemed to be strategically important to the College.

The table below is a summary of the risk register. Individual risk documents are stored in the Governance teams area under the Risk Sheets channel if anyone wants to review an individual risk.

4. Notable Changes to Strategic Risks

Risk No	Date identified	Risk Title	Initial Risk Score	Last Residual Score	Current Residual Score	Movement in period	Risk Appetite Category	Risk Appetite Score	Risk Treatment
1	Apr-21	Financial Sustainability	25	25	25	<->	Financial	20	Accept with mitigation
2	Apr-21	Estates Maintenance - affordability	25	25	25	<->	Property	15	Accept with mitigation
14	Aug-25	Three campus estate	25	N/A	25	New	Reputational	20	Accept with mitigation
15	Aug-25	Transformation Project	25	N/A	20	New	Reputational	20	Accept with mitigation
3	Apr-21	High quality learning experience	20	15	15	<->	Strategy	20	Accept with mitigation
6	Apr-21	Growing/influencing strategic partners	12	12	12	<->	Reputational	20	Accept with mitigation
9	Apr-21	People Strategy delivery	16	12	12	<->	People	25	Accept with mitigation
5	Apr-21	National Bargaining / Strike Action	20	8	8	<->	People	25	Accept with mitigation
8	May-23	Student Accommodation	12	8	8	<->	Financial	20	Accept with mitigation
10	Apr-21	Major incident , eg campus closure	16	8	8	<->	Strategy	20	Accept with mitigation
11	May-22	Malpractice	12	8	8	<->	Reputational	20	Accept with mitigation
12	Aug-24	IT legacy equipment	16	8	8	<->	Technology	20	Accept with mitigation

Removal of Risks

Risk No	Date identified	Risk Title	Initial Risk Score	Last Residual Score	Current Residual Score	Movement in period	Risk Appetite Category	Risk Appetite Score	Risk Treatment
4	May-24	OSCR	20	8	4	↓	Governance	15	Accept with mitigation
7	May-23	Fuel Change	12	9	3	↓	Reputational	25	Accept with mitigation
13	Sep-23	Board Secretary arrangements	6	3	3	<->	Governance	15	Accept with mitigation

Risk ID 4: The College's accounts for 2022/23 have been laid before parliament and submitted to OSCR. There has been no action taken against the Board by OSCR in relation to the late submission. The risk is no longer present.

Risk ID 7: Audit Scotland has presented the Section 22 Report to the Public Audit Committee and the College was asked to submit a written response, which has been done and is now published on the Public Audit Committee website. The risk of reputational damage resulting from the Fuel Change project is now very low as the matter has now been brought to a conclusion.

Risk ID 13: An independent Board Secretary is being recruited which will enable compliance with the Code of Good Governance and the Vice Principal Finance & Corporate Affairs will no longer hold a dual role. The risk of non-compliance will be removed when the recruitment process completed.

New Risks
Risk ID 14: The College is unable to sustain a three campus estate model leading to the closure of a campus.
Risk ID 15: The College is unable to deliver a major transformation project in support of financial sustainability.

5. **Resource Implications (Financial, People, Estates and Communications)**

The register itself does not require significant resource to manage however mitigating actions may require additional resource on a case by case basis.

6. **Equalities**

Assessment in Place? – No

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.

7. **Communities and Partners -** Not applicable

8. **Risk and Impact**

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)	X	X
Very Low (1)		

Total Risk Score – 4

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the underline single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)					
Cautious <15		**Open 15> <20**		**Eager >20**	
Governance		Strategy	X	People	
Legal		Financial		Project/Programme	
Property		Reputational			
		Technology			

Risk continues to be comprehensively managed and reviewed, including comparing risk scores against the Board risk appetite levels, on an ongoing basis.

Is the score above the Board Risk Appetite level? No

Risk Owner – Kenny MacInnes   **Action Owner –** Kenny MacInnes

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

Risk No	Date identified	Risk Title	Initial Risk Score	Last Residual Score	Current Residual Score	Movement in period	Risk Appetite Category	Risk Appetite Score	Risk Treatment	Board Committee
12	Aug-24	IT legacy equipment	16	8	8	<->	Technology	20	Accept with mitigation	AUDIT
7	May-23	Fuel Change	12	9	3	↓	Reputational	25	Accept with mitigation	AUDIT

Forth Valley College

15. Forward Agenda

	Nov-25	May-26	Sep-25
Apologies, Declaration of Interests and Changes to Members' Register of Interest	✔	✔	✔
FOR APPROVAL			
Minutes and Matters Arising	✔	✔	✔
Review of Action Tracker	✔	✔	✔
Review of Committee Remit			✔
Annual Report and Financial Statements	✔		
External Audit Annual Report to the Board of Management	✔		
Response to letter to those charged with governance	✔		
Cyber Security		✔	
Audit Needs Assessment			✔
Governance Statement			✔
Audit Committee Self-Assessment			✔
College Data Policy	✔		
Risk Management Policy	✔		
Risk Management		✔	
FOR DISCUSSION			
Presentation of Internal Audit Reports	✔	✔	✔
Progress Report on Audit Recommendations	✔	✔	✔
Risk Management	✔	✔	✔
Fuel Change Recommendations tracker	✔	✔	✔
Internal Audit Annual Report			✔
Compliance Report (Complaints, FOI, Data Protection)	✔		
FOR INFORMATION			
Forward Programme of Committee Business	✔	✔	✔