

## Audit Committee

**18 September 2025 (1600-1800)** Virtually by MS Teams

### Agenda

| Time                  | Item   | Lead                 | Paper   |
|-----------------------|--|----------------------|---|
|                       | <b>1. Welcome and Apologies</b> <ul style="list-style-type: none"> <li>➤ Declaration of Interests and Connections</li> </ul>   | JR                   | Verbal  |
| <b>For Approval</b>   |  |                      |   |
|                       | <b>2. Minutes of Previous Meetings and Matters Arising</b> <ul style="list-style-type: none"> <li>➤ Thursday 29 May 2025</li> <li>➤ Action Log</li> </ul>  | JR<br>LG             | Verbal<br>Paper 2.2   |
|                       | <b>3. Strategic Risk Register</b> <ul style="list-style-type: none"> <li>➤ Emerging Risk Register (discussion)</li> <li>➤ Deep Dive for Risk 1</li> </ul>  | LG<br>LG<br>DD       | Paper 3.1<br>Paper 3.2<br>Paper 3.3                           |
|                       | <b>4. Risk Appetite Review</b>   | LG                   | Paper 4.1   |
|                       | <b>5. Risk Management Policy</b>   | LG                   | Paper 5.1   |
| <b>For Discussion</b> |  |                      |   |
|                       | <b>6. Internal Audit</b> <ul style="list-style-type: none"> <li>➤ Annual Report</li> <li>➤ Progress Report</li> <li>➤ Follow Up Report</li> <li>➤ Safeguarding Report</li> <li>➤ Henderson Loggie Progress Report</li> </ul> | RB<br><br><br><br>DA | Paper 6.1<br>Paper 6.2<br>Paper 6.3<br>Paper 6.4<br>Paper 6.5 |
|                       | <b>7. Internal Audit Tracker</b>   | LG                   | Paper 7.1   |

|                             |  |    |           |
|-----------------------------|--|----|-----------|
|                             | <b>8.</b> Code of Good Governance Checklist                  | LG | Paper 8.1 |
| <b>For Information only</b> |  |    |           |
|                             | <b>9.</b> AOCB   | JR | Verbal    |
|                             | <b>10.</b> Date of next meeting<br>➤ Monday 24 November 2025 | JR | Verbal    |

Status: Approved

## Audit Committee Meeting

Minute of Meeting 18 September 2025 at (16:00 – 18:00hrs) Via MS Teams

| Present:                |                                    |                                     |
|-------------------------|------------------------------------|-------------------------------------|
| Jamie Ross (JR) (Chair) | Kirsty Duncan (KD)                 | Ann Hill (AH)                       |
| Alastair Irons (AI)     |                                    |                                     |
| In attendance:          |                                    |                                     |
| Caroline Stuart (CS)    | Phil Storrier (PS)                 | Karen Hunter (KH)                   |
| Douglas Dickson (DD)    | Robert Barnett (RSM)               |                                     |
| Lorraine Grierson (LG)  | Alexandra Rankin<br>(Minute taker) | David Archibald<br>Henderson Loggie |
| Apologies:              |                                    |                                     |
| Gillian Brydson         |                                    |                                     |

### 1. Welcome and Apologies for Absence | Verbal | J. Ross

- 1.1. The Chair welcomed everyone to the meeting and the Governance Professional confirmed that the meeting was quorate, apologies were noted as above. The Chair reminded Members to declare any conflict of interest throughout the meeting.

## FOR APPROVAL

### 2. Minute of the Previous Meeting 29 May 2025 | Paper 2.2 | Approval | L. Grierson

- 2.1. The minute of the previous meeting was approved.
- 2.2. AH queried item 3.6, the disparity in the analysis of financial sustainability between SFC and Audit Scotland. The Committee were advised that the Audit Scotland Report will provide an analysis for 23/24 accounts for Scottish Colleges showing that the majority of Scottish Colleges are in a better position than 22-23.
- 2.3. Action Log | Paper 2.2 | Approval | L. Grierson
- 2.3.1. All actions were closed, and DA provided an update on analogue provision at item 2. Following advice and review it was concluded that clear business continuity planning and understanding of the impact of key risks through a review cycle was critical. Elements to consider are incident response plans, manual workarounds and off-site backups. Hefestis site has referenced analogue plans and arrangements to address any cyber elements and liaison with our CISO advisor will aid this process. One member also highlighted items of

business resilience around health and safety risks and practical elements eg fire alarm systems and lifts. It was concluded that the College have resilience plans in place.

**2.3.2. The Committee approved the Action Log.**

**3. Strategic Risk Register | Paper 3.1 | Approval | L. Grierson**

- 3.1.1 The Committee were asked to review, in the first instance, Risk 4 and 11 noting that no changes had been applied to ratings and further mitigations had been added to Risk 11.
- 3.1.2 Risk 11 – A query regarding cyber risks from students was discussed, and the Principal advised that in his experience this was considered rare and with mitigations in place, shared learning from other institutions and investment in systems continued to support defences. The Committee acknowledged the risk with cognisance to internal risks. DA commented that sharing from other institutions had shown greater collaborate working between IT teams. Henderson Loggie had undertaken a lessons learned review for the NHS Dumfries and Galloway cyber-attack, however getting access to the report was not known at the time of the meeting. It is expected that National standard requirements were likely to be increased following these attacks.
- 3.1.3 The college continued to provide training to students around digital and cyber security.
- 3.1.4 The Chair referenced the analogue plan in relation to cyber incidents and the principal assured the Committee of the current plans in place and training being undertaken, including the support provided from JISC and Hefestis. Also, Business Continuity planning had been discussed at high level and specific contingency planning was in development within curriculum areas.
- 3.1.5 DA suggested conducting desk top scenarios to test current plans.
- 3.1.6 Consideration of the nature of cyber-attacks, analogue communications and the understanding of full analogue capabilities was recommended.
- 3.1.7 **ACTION: A Deep Dive was suggested re Cyber posture and analogue planning to be tabled for discussion at the next committee meeting. LG**
- 3.1.8 **Risk 4, and Risk 11 Financial Fraud was approved with no further changes.**
- 3.1.9 After review of the Risk Register at SLT, it was proposed to remove Risk 12 from the Register as a standalone risk. Health and Safety sits within Risk 6: Failure to Comply with Regulatory Obligations, however it is also covered within Risk 2: Legal Actions, Serious Incidents. This move will avoid duplication but also ensure H&S is still rigorously monitored. Comments were invited from the committee.
- 3.1.10 It was highlighted that there is disparity in grading between the current two risks (6 and 12). However, the Principal assured the committee that adjustments would be undertaken to risk 6, and a revised rating was anticipated.
- 3.1.11 Members supported the change however given the importance of Health and Safety, asked for the merged risk paperwork to be presented to the committee for consideration before final approval.

3.1.12 CS raised the point that random drug and alcohol testing occurs within industry and asked whether this was conducted within the college environment particularly in areas where machinery is used. It was advised that this was not currently undertaken at the college.

3.1.13 **ACTION: Review Risk 6 paperwork to include Risk 12 H&S and bring back to the Committee for approval.**

3.1.14 **The Committee approved the risk register.**

3.1 Emerging Risk Register | Paper 3.2 | Discussion | L. Grierson

3.1.1 An emerging risk register had been created to capture any significant risk which may result in escalation to the Strategic Risk Register. The process of oversight by the Senior Leadership Team was explained and currently 2 emerging risks remained on the register - AI and Job Evaluation Project.

3.1.2 After discussion at SLT, it was agreed that the implications of the Job Evaluation Scheme suggest a significant risk and this should be escalated to the Strategic Risk Register. There remains a number of uncertainties around the scheme particularly with regard to the strain on resources, workforce, and financial implications, which could impact Trade Union relations.

3.1.3 The FEDRA Software and utilisation was explained to the committee. The Job Evaluation Project was subject to support staff only and the challenges evaluating 177 job roles was discussed. Liability had been accepted by Scottish Government

3.1.4 In respect of AI it was acknowledged that the college is doing a lot of work around AI and keeping information up to date, which is ongoing.

3.1.5 **The Committee approved the inclusion of Job Evaluation as a new risk to the Register, however it should be flagged as emerging risk. LG**

3.1.6 **The Committee noted the Emerging Risk Register.**

3.2 Deep dive – Risk 1| Paper 3.3 | Discussion | D. Dickson

3.2.1 DD introduced the report to undertake a deep dive of Risk 1: Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities This risk has been on the Register for 5 years however significant College change has been brought to ensure that national and local priorities are followed within DGC plans and strategies. Whilst the College can operate autonomously there are key mitigations in funding and the Ministerial Letter of Guidance which prevent the pursuit of interests outwith national and local priorities which are incorporated within Mission 2030. The committee discussed the implications of removing Risk 1 from the register, however it was agreed that there are mechanisms in place to ensure we follow national and regional priorities and these are incorporated within Mission 2030 with KPIs that are monitored by the Board.

3.2.2 **The Committee approved removal of the risk.**

**FOR DISCUSSION**

4 **Risk Appetite Review| Paper 4.1 | Discussion | L. Grierson**

- 4.1 The committee were advised that the risk appetite for 25-26 had been considered by ELT with the following recommendations. Utilising the 5-point scale, it was proposed to move risk 3 from Cautious to Moderate. Having a 4-year trend of a small budget surplus together with substantial assurance for financial planning it was felt that there were appropriate measures, controls and scrutiny in place.
- 4.2 Risk 5 to be adjusted from Cautious to Moderate. Substantial assurance was awarded for the internal audit reviews indicating appropriate controls are in place.
- 4.3 After discussion, the committee agreed the changes with the remaining risks to remain as they are.
- 4.4 **ACTION: Risk 9 – it was requested that the risk narrative is updated to incorporate QAA and TQEF. LG**
- 4.5 **The Committee Approved the revised risk appetites.**

## **5 Risk Management Policy**

- 5.1 The Committee noted updates to the Policy at point 6.1 definition of risk provided by Zurich, and 6.3 which included a link to the risk appetite Framework as recommended by RSM.
- 5.2 A further change as recommended by Audit committee, to the risk appetite narrative had been amended at 6.3. All changes had been shown in yellow.
- 5.3 A query was raised regarding the table at 6.12 re CMT - monthly meetings with finance which implied these were the only meetings where risks were identified. It was recommended that the narrative be amended.
- 5.4 **ACTION: - Amended narrative to table 6.12 to be circulated by email. LG**
- 5.5 **The Committee approved the changes.**

## **6 Internal Audit**

Note: item 6 was taken before item 3, CS Joined the meeting 16:11hrs

- 6.1 Annual Summary Report | Paper 6.1 | Discussion | RSM Robert Barnett
- 6.1.1 The Annual Summary Report provided a green opinion which was the highest rating. He advised that the audits have complied with the Global Standards. 6 reviews had resulted in 5 opinions showing substantial assurance and 1 at reasonable assurance. No issues of conflict were raised, and delivery targets were all met. RSM thanked the executive for their support to reach that position.
- 6.1.2 A query regarding conflict of interest was raised and RSM confirmed that additional audits were conducted via separate teams from the internal audit team. Assurance was provided of engagement practices and monitoring through stringent quality assurance measures. Discussion within ELT had concluded confidence in an independent process.
- 6.1.3 Comments and questions were invited, and additional detail of the quality assurance mitigations were shared.

6.1.4 The Committee commended the positive outcome of the report and KPIs.

6.1.5 **The Committee noted the Internal Audit Annual Summary Report.**

6.2 Progress Report | Paper 6.2 | Discussion | RSM

6.2.1 The Committee noted that the Internal Audit Plan, provided a summary of progress since the last meeting. The report provided detail on progress of the Safeguarding and Follow Up reports which were now complete and detailed on page 5. These concluded the annual audit plan.

6.2.2 The Safeguarding Audit report had provided a substantial assurance (green) with 1 medium and 1 low management action identified.

6.2.3 Comments and questions were invited from the committee: -

6.2.4 It was queried whether annual Safeguarding training is adequate, and it was confirmed the frequency of training was considered appropriate including refresher training. It was also queried whether the staff admin level access of 7 members of staff was appropriate and it was confirmed that 7 was the right balance with different levels of access.

6.2.5 The Follow Up Report was awarded Good progress opinion which was the highest opinion. The College had implemented 28 of 30 management actions, with 2 in progress which was an excellent result. A further follow up report would be undertaken for the 2 remaining actions.

6.2.6 The Chair asked members of the Executive if the positive outcomes in the reports aligned to their own perceptions of the progress being made on risk management and controls. The committee were advised that the college had introduced an internal audit team of 8 staff led by the Performance Manager, who were all ISO9001 trained and provided an additional level of scrutiny. This had become beneficial particularly if something arises which can be looked at quickly. Policies and procedures had also been subject to additional review and resulted in enhancement and refinement of processes. The Chair commended the robustness of the performance team.

6.2.7 VP PS highlighted the changes in culture which had supported the responsiveness to any items raised, however advised caution around staff capacity as this area currently only has 1.5 staff members. KH added that any uncertainty can be explored readily through the internal audit team reducing complacency.

6.2.8 The Committee endorsed the introduction of the internal audit team.

6.2.9 RSM thanked everyone having worked together for a number of years and seen how the college had progressed. The overall opinion was rare and congratulated the college with the outcome.

6.2.10 The Chair thanked RB for all his work and wished him well.

6.2.11 **The Committee noted the Internal Audit Progress Report.**

6.3 Henderson Loggie Progress Report | Paper 6.5 | Discussion | D Archibald

- 6.3.1 A summary of the planned work was provided and it was noted that the Credits and Student Support Funds audits were planned for November, and the final report will be provided at the May Audit meeting.
- 6.3.2 The Chair confirmed that slippage within the schedule was not anticipated, however any changes should be reported to Audit committee.
- 6.3.3 **The committee noted the plan.**

**7 Internal Audit Tracker | Paper 7.1 | Discussion | L. Grierson**

- 7.1 An update on progress towards the completion of the annual plan for 25/26 was provided.
- 7.2 It was advised that 2 actions remained outstanding and Appendix 1 shows progress on actions regarding the HR Audits.
- 7.3 A question was raised regarding the layout of the table at appendix A. It was confirmed that the Green items were closed and the unhighlighted items were awaiting updates.
- 7.4 In respect of the item re Contract management system, this is shown as complete, however it was confirmed that the support role template is under review, and the teaching staff contract is an action.
- 7.4.1 With reference to the Cyber outstanding action, it was confirmed that all staff have completed the mandatory training except 1 member of staff due to mitigating factors. The mandatory training plan will include Cyber training when next published.

**8 Code of Good Governance Checklist | Paper 8.1 | L. Grierson**

- 8.1 The paper explained that it is a condition of grant that the college provides evidence showing compliance with the Code's principles. The checklist for the Code of Good Governance had been completed for annual year 24-25 and any outstanding actions had been marked against it. Compliance was assured.
- 8.2 Some measures were considered challenging, and corporate and social responsibility was recognised. Further streamlining of the checklist was recommended. The value of the report was discussed.
- 8.3 The Committee commended the completion of the checklist.
- 8.4 **The Committee noted the Code of Good Governance Checklist.**

**FOR INFORMATION ONLY**

**9 Any Other Business | Verbal | J. Ross**

- 9.1 No further business was raised.
- 9.2 Henderson Loggie commended the positive audit position and minimal recommendations.

**10 Date of the Next Meeting | Verbal | J. Ross**

- 10.1 The date of the next meeting is scheduled for Thursday 24 November 2025 at 1600hrs.



| Key   |         |
|---|---------|
| <span style="background-color: orange; width: 15px; height: 15px; display: inline-block;"></span>     | Ongoing |
| <span style="background-color: lightgreen; width: 15px; height: 15px; display: inline-block;"></span> | Closed  |
| <span style="background-color: red; width: 15px; height: 15px; display: inline-block;"></span>        | Overdue |

## AUDIT COMMITTEE ACTION LOG 18.09.25

| No | Meeting Date | Action  | Lead  | Deadline | Status  | Commentary  |
|----|--------------|---|-------|----------|---------|---|
| 1  | 29/5/25      | Raise meaning of 'going concern' with /board.   | KH    | Jun 25   | Closed  | Raised at June 2025 board.  |
| 2  | 29/5/25      | DA to provide an update re analogue plans in light of cyber security risks                  | DA    | Sep 25   | Ongoing | DA to provide an update to the meeting.   |
| 3  | 29/5/25      | Review ToR and Risk management Policy to reflect new Global Standards                       | LG    | Sep 25   | Closed  | Presented to Committee Sep 25.  |
| 4  | 29/5/25      | Review 6.1.2 in Risk management Policy re Risk Appetite statement                           | LG    | Sep 25   | Closed  | Reviewed and presented to Committee Sep 25  |
| 5  | 29/5/25      | Emerging Risk Register to be included as a separate report                                  | LG/DA | Sep 25   | Closed  | Presented to Committee Sep 25   |
| 6  | 29/5/25      | Amend Error on Risk 5 re appetite.  | LG    | Sep 25   | Closed  | amended   |
| 7  | 29/5/25      | HR and Payroll bandings actions to be updated to audit tracker                              | LG    | Sep 25   | Closed  | Added to tracker  |
| 8  | 29/5/25      | Explore cyber exercise / crisis management/ Police Scotland which board members can attend. | LG    | Sep 25   | Closed  | This is an operational exercise which may be arranged with the college management team and Board members may wish to consider attending |

| <b>Audit Committee</b>   |  |                |
|--|--|----------------|
| Agenda Item  | <b>3</b>   |                |
| Paper Number   | <b>AUD0925-3.1</b>   |                |
| Date of Meeting  | <b>18 September 2025</b>   |                |
| Location   | <b>MS Teams</b>  |                |
| Title of Paper   | <b>Strategic Risk Register</b>   |                |
| Presented by   | <b>L Grierson</b>  |                |
| <b>Recommendation</b>  | <b>Approval</b>  |                |
| <b>Freedom of Information Disclosure Assessment</b>  |  |                |
| FOI flag:  | <input checked="" type="checkbox"/> Disclosable <input type="checkbox"/> Non-disclosable |                |
| Reason/s for choice:   |  |                |
| Notes from author:<br>(When will it become disclosable? Has FOI Officer guidance been sought?) |  |                |
| <b>Further comments/updates after initial submission</b>                                       |  |                |
| Date added   | Added by (name and role)   | Comment/detail |
|  |  |                |

**Read Time:** 25 Minutes

## 1. Recommendation

- 1.1 The Audit Committee are asked to consider, and if so minded, approve the Strategic Risks 4 and 11 which are assigned to it, and consider any changes to Risks presented by the Committees.
- After discussion at ELT, Audit Committee are recommended to incorporate H&S within Risk 6: Failure to Comply with Regulatory Obligations, which will be ratified at the Board meeting.

## 2. Executive Summary

- 2.1. The purpose of this paper is to provide the Committee with the opportunity to review the College's Strategic Risks assigned to it, note changes to risks assigned to other Committees and oversee the full register.

## 3. Context

- 3.1 The Principal and Executive Leadership Team routinely review the Strategic Risk Register to reflect the key risks to the College and the mitigations that are applied to each risk.

- 3.2 Currently there are 3 risks (5,11,12) showing an inherent major risk (red), however after mitigations have been applied, these are reduced to 'moderate' risks.

- 3.3 Risk 3: Failure to achieve institutional sustainability - the inherent risk remains a **fundamental 25 rating** (purple). After mitigations, the residual rating of 20 still remains a **major risk**. This is in line with the current and continued external financial position which is of concern and needs to be monitored closely.

### 3.4 Audit Committee

- 3.4.1 Currently Audit Committee has 2 risks assigned to it for review and approval, and any amendment made to these is noted below:
- Risk 4: Financial Fraud – no changes.
  - Risk 11: Failure to achieve and maintain systems and operable and secure ICT – no changes to ratings. Further mitigations added to Level 2.
    - Further assurance in relation to risk being above appetite - Additional mitigations have been introduced regarding student engagement in digital systems and awareness. A new module which includes cyber security and email management is currently being tested with students in curriculum areas. This will eventually be rolled out for all students.

### 3.5 Learning and Teaching Committee

- 3.5.1 There have been no changes to ratings for Risks 8,9,10 although further mitigations have been added to level 2.
- Risk 8: Academic Performance
  - Risk 9: Failure to adhere to Academic Compliance
  - Risk 10 - Failure to achieve an effective student experience

### 3.6 Finance and General-Purpose Committee

- 3.6.1 There have been no changes to ratings for Risks 3,7.
- Risks 3 - Failure to achieve institutional sustainability.
    - This risk is above appetite however a balanced budget has been approved for 2025-26, and longer-term plans have been considered to provide a break even. Support staff pay award is currently being negotiated but no final agreement is in place for 2025-26 as yet.

- Risk 7 – Industrial Relations – no changes made. The support staff pay award negotiations are in progress, however settlement is yet to be reached for 2025-26.

### 3.7 Board of Management

- Risk 1: Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities – no changes. A deep dive paper is submitted for Audit Commitment review.
  - It is proposed in the deep dive paper, to remove this risk from the register. The colleges strategy, Mission 2030, is mapped directly to key national and regional strategies as per ministerial guidance and funding controls are in place to ensure we meet these priorities.

#### 3.7.1 The following risks are above appetite:

- Risk 5: Business Continuity – no changes to risk.
  - Work is planned to update the Fire Risk Assessment, and staff CPD. Further Desktop exercises will be undertaken with staff.
- Risk 12: H&S – no changes
  - After discussion with ELT, it is proposed to remove Risk 12 from the Register as a standalone risk. Health and Safety sits within Risk 6: Failure to Comply with Regulatory Obligations. It is also covered in Risk 2: Legal Actions, Serious Incidents. Recent H&S internal audit reports have provided substantial assurance and current mitigations will be filtered into Risk 6.

### 3.8 Emerging Risk Register

#### 3.8.1 The emerging risk register is on the agenda as a separate item.

## 4. **Strategic Implications**

#### 4.1 The risks associated with Audit Committee link into the following strategic priorities: Mission 2030 – Pillars 1,2,3,4

## 6. **Risk**

| Risk       | Mitigations                         |
|------------|-------------------------------------|
| Risks 4,11 | ➤ Paperwork attached for reference. |

## 7. **Implications**

|           |     |   |
|-----------|-----|---|
| Financial | YES | Financial loss, fraud and reputational damage and impact to financial sustainability. |
| Legal     | YES | Failure to meet regulatory and compliance obligations                                 |

|                              |            |  |
|------------------------------|------------|--|
| <b>Learning and Teaching</b> | <b>YES</b> | Serious impact to the college's ability to operate and deliver education to students, financial loss, loss of data and reputation. |
| <b>Equalities</b>            | <b>NO</b>  |  |

**Lorraine Grierson**

Governance Professional

10 September 2025

| RISK DEFINITION   |  | ORIGINAL TASK |        |       |            | RESIDUAL RISK |        |       |                      | RISK APPETITE    |
|---|--|---------------|--------|-------|------------|---------------|--------|-------|----------------------|------------------|
| No  | Risk   | Likelihood    | Impact | Total | Risk Level | Likelihood    | Impact | Total | Risk Level and trend | above/below      |
| Responsible Person – Principal                                  |  |               |        |       |            |               |        |       |                      |                  |
| 1   | Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities (BoM) |               |        |       |            |               |        |       |                      |                  |
|   |  | 3             | 4      | 12    |            | 2             | 4      | 8     | =                    | Open 16-20 ↓     |
| 2   | Legal actions; serious accident; incident or civil/criminal breach (BoM)                                       |               |        |       |            |               |        |       |                      |                  |
|   |  | 5             | 3      | 15    |            | 3             | 2      | 6     | =                    | Cautious 7-10 ↓  |
| Responsible Person – VP Corporate Services                      |  |               |        |       |            |               |        |       |                      |                  |
| 3   | Failure to achieve institutional sustainability (FGP)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 5             | 5      | 25    |            | 4             | 5      | 20    | =                    | Cautious 7-10 ↑  |
| 4   | Financial Fraud (AUD)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 4             | 3      | 12    |            | 3             | 2      | 6     | =                    | Cautious 7-10 ↓  |
| 6   | Failure to comply with regulatory obligations (BoM)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 3             | 5      | 15    |            | 5             | 1      | 5     | =                    | Cautious 7-10 ↓  |
| 5   | Business Continuity Incident – Fire, Systems, Emergency Procedures, Health (BoM)                               |               |        |       |            |               |        |       |                      |                  |
|   |  | 4             | 4      | 16    |            | 4             | 3      | 12    | =                    | Cautious 7-10 ↑  |
| 7   | Failure to achieve effective Industrial Relations (FGP)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 3             | 4      | 12    |            | 2             | 3      | 6     | =                    | Moderate 11-15 ↓ |
| 12  | Health and Safety (BOM)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 4             | 5      | 20    |            | 3             | 4      | 12    | =                    | Cautious 7-10 ↑  |
| Responsible Person - VP Learning, Skills and Student Experience |  |               |        |       |            |               |        |       |                      |                  |
| 8   | Failure to achieve highest academic performance levels (LT)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 3             | 4      | 12    |            | 1             | 4      | 4     | =                    | Moderate 11-15 ↓ |
| 9   | Failure to adhere to academic compliance arrangements (LT)   |               |        |       |            |               |        |       |                      |                  |
|   |  | 4             | 3      | 12    |            | 2             | 2      | 4     | =                    | Cautious 7-10 ↓  |
| 10  | Failure to achieve an effective student experience (LT)  |               |        |       |            |               |        |       |                      |                  |
|   |  | 3             | 4      | 12    |            | 1             | 4      | 4     | =                    | Moderate 11-15 ↓ |
| 11  | Failure to achieve and maintain systems and operable and secure ICT (AUD)                                      |               |        |       |            |               |        |       |                      |                  |
|   |  | 4             | 5      | 20    |            | 3             | 5      | 15    | =                    | Cautious 7-10 ↑  |

|  |                 |               |
|--|-----------------|---------------|
| Risks which should be monitored by the Risk Management Group:        | Scores: 1 – 8   | Minor Risk    |
| Risks to be brought to the attention of SLT and Board of Management: | Scores: 9 - 15  | Moderate Risk |
| Risks to be reported to, and monitored by, Board of Management:      | Scores: 16 – 20 | Major Risk    |
| Risks to be reported to, and monitored by, Board of Management:      | Scores: 21 – 25 | Critical Risk |

| Score  |   | Impact  | Likelihood  |
|--|---|---|---|
| <b>1-8</b><br><b>Acceptable level of risk subject to periodic review.</b>  | <b>Minor:</b><br>Risks which should be monitored by the Risk Management Group           | The risk may cause slight disruption or impact on the College's operations, objectives, reputation, stakeholders or financial sustainability.                   | Unlikely: the likelihood of the risk occurring is unlikely but still possible. It would be estimated that the risk has a 6-25% chance of happening. |
| <b>9-15</b><br><b>Moderate level of risk subject to regular monitoring and mitigating actions and plans being in place</b> | <b>Moderate:</b><br>Risks to be brought to the attention of SLT and Board of Management | Moderate: the risk has a noticeable impact or disruption, affecting the College's operations, objectives, reputation, stakeholders or financial sustainability. | Possible: the likelihood of the risk occurring is reasonable. It would be estimated that the risk has a 26-50% chance of happening.                 |
| <b>16-20</b><br><b>Unacceptable level of risk requiring immediate actions and plans to prevent or mitigate.</b>            | <b>Major:</b><br>Risks to be reported to, and monitored by, BoM                         | Major: the risk has a substantial impact on the College's operations, objectives, reputation, stakeholders or financial sustainability.                         | Likely: the likelihood of the risk occurring is probable. It would be estimated that the risk has a 51- 75% chance of happening.                    |
| <b>21-25</b><br><b>Critical level of risk requiring urgent attention and actions to prevent or mitigate.</b>               | <b>Critical:</b><br>Risks to be reported to, and monitored by, BoM                      | Critical: the risk is a severe threat to the College's operations, objectives, reputation, stakeholders or financial sustainability.                            | Almost Certain: the likelihood of the risk occurring is highly likely. It would be estimated that the risk has more than a 75% chance of happening. |

|        |            |    |    |    |    |
|--------|------------|----|----|----|----|
|        | 5          | 10 | 15 | 20 | 25 |
| Impact | 4          | 8  | 12 | 16 | 20 |
|        | 3          | 6  | 9  | 12 | 15 |
|        | 2          | 4  | 6  | 8  | 10 |
|        | 1          | 2  | 3  | 4  | 5  |
|        | Likelihood |    |    |    |    |

## DGC Risk Appetite

| Classification        | Description   |
|-----------------------|---|
| <b>Averse 1-6</b>     | Prepared to accept only the very lowest levels of risk, with the preference being for very safe decision-making and strategy implementation, while recognising there may be little opportunity for innovation or the exploitation of new opportunities. |
| <b>Cautious 7-10</b>  | Willing to accept some low risks, while maintaining an overall preference for safe decision-making and strategy implementation, despite the probability that there is restricted potential for innovation and increased outcomes and benefits.          |
| <b>Moderate 11-15</b> | Tending predominantly towards exposure to only modest levels of risk to achieve acceptable, but possibly unambitious outcomes or benefits.  |
| <b>Open 16-20</b>     | Prepared to consider innovative decisions and strategic implementation and selecting those with the highest probability of productive outcomes and benefits, even where there are elevated levels of associated risk.                                   |
| <b>Hungry 21-25</b>   | Proactively taking innovative/creative/pioneering decisions and adopting forms of strategic implementation, while accepting the associated substantial risk levels in order to secure highly successful outcomes and benefits.                          |

|            |             |                |                |                |                |
|------------|-------------|----------------|----------------|----------------|----------------|
| Impact     | 5<br>Averse | 10<br>Cautious | 15<br>Moderate | 20<br>Open     | 25<br>Hungry   |
|            | 4<br>Averse | 8<br>Cautious  | 12<br>Moderate | 16<br>Open     | 20<br>Open     |
|            | 3<br>Averse | 6<br>Averse    | 9<br>Cautious  | 12<br>Moderate | 15<br>Moderate |
|            | 2<br>Averse | 4<br>Averse    | 6<br>Averse    | 8<br>Cautious  | 10<br>Cautious |
|            | 1<br>Averse | 2<br>Averse    | 3<br>Averse    | 4<br>Averse    | 5<br>Averse    |
| Likelihood |             |                |                |                |                |



| Strategic Objective: Risk No: 1 Failure to meet Region/National Priorities |  |                      |
|--|--|----------------------|
| Reference to Risk Registers:   | Strategic  | Owner: Principal BoM |
| Description of the Risk:   | Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities   |                      |
| What are the possible consequences if the risk was to emerge?              | Loss of credibility, unable to meet economic and societal needs of region, curriculum not fit for purpose, College will not meet funding targets and will not remain financially sustainable |                      |

| GROSS RISK SCORE (i.e without controls in place) |     |                  |     |                                       |       |
|--|-----|------------------|-----|---------------------------------------|-------|
| LIKELIHOOD                                       | (A) | IMPACT           | (B) | What is the total risk score? (A x B) | 12/25 |
|  | 3/5 |                  | 4/5 |                                       |       |
| The GROSS risk is therefore: (MIN/MOD/MAJ/CRIT)  |     | Significant Risk |     |                                       |       |

| 3 LINES OF DEFENCE<br><a href="#">Risk Mitigations and Owners.xlsx</a>  | MITIGATIONS   | MONITORING  |
|---|---|---|
| <b>Front Line</b><br>(Management Assurance)<br><br>Operational Delivery /Systems /Quality Assurance /Supervision  | <ul style="list-style-type: none"> <li>Operational Plans</li> <li>PRDs</li> <li>Membership of Regional Economic Partnership</li> <li>Mission 2030 mapped to national/regional priorities</li> </ul> | <ul style="list-style-type: none"> <li>Clear performance metrics for all strategic outcomes and linked to individual performance targets reviewed by Line Managers</li> <li>SLT monitoring</li> </ul>   |
| <b>Organisation Oversight</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Portfolio Review 1 - PI and Curriculum Plan</li> <li>Portfolio Review 2 - PI Review</li> <li>Reportage to BoM on Mission 2030</li> </ul>                     | <ul style="list-style-type: none"> <li>Membership of key strategic groups</li> <li>SLT Systems of Control and Reporting</li> <li>Amendment of strategic direction/plans to government policy and regional economic strategy</li> <li>Robust monitoring of activity targets via ROA and reported quarterly to SFC and BoM</li> </ul> |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies  | <ul style="list-style-type: none"> <li>Annual Engagement on Self Evaluation and Action Plan (SEAP) reportage</li> <li>Outcome Framework and Assurance Model</li> <li>Audit of Plans</li> </ul>      | <ul style="list-style-type: none"> <li>Education Scotland /QAA</li> <li>Ongoing engagement and reporting to SFC</li> <li>External Audit</li> <li>BoM oversight</li> </ul>   |

| NET RISK SCORE (i.e with controls in place) |     |        |     |                                       |      |
|---|-----|--------|-----|---------------------------------------|------|
| LIKELIHOOD                                  | (A) | IMPACT | (B) | What is the total risk score? (A x B) | 8/25 |
|   | 2/5 |        | 4/5 |                                       |      |

| Risk Status | Meeting 1<br>MIN | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite   | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|--|---------------|------------------|-------------------|---------------|-----------------|
| 1   | Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities |               |                  |                   | ↓             |                 |
| 4   | Financial Fraud  | ↓             |                  |                   |               |                 |
| 6   | Failure to meet regulatory obligations   |               | →                |                   |               |                 |

| QTR | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT | APPETITE<br>IN/OUT |
|-----|--|--------------------|
|-----|--|--------------------|

|               |   |  |  |
|---------------|---|--|--|
| Q1<br>Aug-Oct | Update  | Owner – No changes. Ratings remain at G 12/25 and N 8/25 |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |
| Q4<br>May-Jul | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

| Strategic Objective: Risk No: 2 Legal Actions, Serious Incidents |  |                      |
|--|--|----------------------|
| Reference to Risk Registers                                      | Strategic  | Owner: Principal BoM |
| Description of the Risk:   | Legal actions; serious accident; incident or civil/criminal breach                                   |                      |
| What are the possible consequences if the risk was to emerge?    | Financial loss to the college, impact on reputation and potential criminal / civil legal proceedings |                      |

| GROSS RISK SCORE (i.e without controls in place) |     |               |     |                                       |
|--|-----|---------------|-----|---------------------------------------|
| LIKELIHOOD                                       | (a) | IMPACT        | (b) | What is the total risk score? (A x B) |
|  | 5/5 |               | 3/5 |                                       |
| The GROSS risk is therefore:<br>MIN/MOD/MAJ/CRIT |     | Moderate Risk |     |                                       |

| 3 LINES OF DEFENCE<br>Risk Mitigations and Owners.xlsx  | MITIGATIONS   | MONITORING   |
|---|---|--|
| <b>FRONT LINE<br/>(Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision | <ul style="list-style-type: none"> <li>Health and Safety Risk Assessments</li> <li>H&amp;S Training</li> <li>H&amp;S Committee</li> </ul> | <ul style="list-style-type: none"> <li>Records of staff training and completion</li> <li>Line Manager oversight</li> </ul>                             |
| <b>OVERSIGHT OF MANAGEMENT ACTIVITY</b><br><br>Internal Compliance and quality checks                             | <ul style="list-style-type: none"> <li>H&amp;S Checks</li> <li>EDI Annual Report</li> </ul>   | <ul style="list-style-type: none"> <li>Monitoring and reporting in key areas – e.g., H&amp;S, equalities, employee engagement/Staff surveys</li> </ul> |

|   |  |  |
|---|--|--|
| / Legal and Regulatory / Financial controls / Management controls / Project assurance |  |  |
| <b>INDEPENDENT ASSURANCE</b><br><br>Internal Audit / external bodies                  | <ul style="list-style-type: none"> <li>External audit of fire systems</li> <li>External audit of H&amp;S</li> <li>BoM Audit</li> <li>EDI Report</li> </ul> | <ul style="list-style-type: none"> <li>Internal and External Audit</li> <li>BoM oversight</li> <li>Reportage to SFC</li> </ul> |

| NET RISK SCORE (i.e., with controls in place) |            |               |            |                                       |             |
|---|------------|---------------|------------|---------------------------------------|-------------|
| <b>LIKELIHOOD</b>                             | (A)<br>3/5 | <b>IMPACT</b> | (B)<br>2/5 | What is the total risk score? (A x B) | <b>6/25</b> |

|                    |                          |                  |                  |                  |
|--------------------|--------------------------|------------------|------------------|------------------|
| <b>Risk Status</b> | <b>Meeting 1<br/>MIN</b> | <b>Meeting 2</b> | <b>Meeting 3</b> | <b>Meeting 4</b> |
|--------------------|--------------------------|------------------|------------------|------------------|

| No. | Risk and Risk Appetite   | Averse1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|--|-----------|------------------|-------------------|---------------|-----------------|
| 2   | Legal actions; serious accident; incident or civil/criminal breach |           | ↓                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |   | APPETITE<br>IN/OUT |
|---------------|---|---|--------------------|
| Q1<br>Aug-Oct | Update  | Owner - No Changes. Ratings remain same: G 15/25 and N 6/25 | Below              |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                    |

|               |   |  |  |
|---------------|---|--|--|
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q4<br>May-Jul | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

| Strategic Objective: Risk No: 3 Financial Sustainability      |  |                                     |
|---|--|-------------------------------------|
| Reference to Risk Registers:                                  | Financial  | Owner: VP Corporate Services<br>FGP |
| Description of the Risk:                                      | Failure to achieve institutional sustainability due to sector-level budget allocations in 2025-26  |                                     |
| What are the possible consequences if the risk was to emerge? | The college will be unable to operate within the Scottish Public Finance Manual, contravening governance requirements by SG, Section 22, Reputational damage to Board and F&GP |                                     |

| GROSS RISK SCORE (i.e without controls in place) |            |               |            |                                       |       |
|--|------------|---------------|------------|---------------------------------------|-------|
| LIKELIHOOD                                       | (A)<br>5/5 | IMPACT        | (B)<br>5/5 | What is the total risk score? (A x B) | 25/25 |
| The GROSS risk is therefore:<br>MIN/MOD/MAJ/CRIT |            | Critical Risk |            |                                       |       |

| 3 LINES OF DEFENCE<br><a href="#">Risk Mitigations and Owners.xlsx</a>   | MITIGATIONS  | MONITORING   |
|--|--|--|
| <b>Front Line<br/>(Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision  | <ul style="list-style-type: none"> <li>• Increase Commercial Income/ reduce reliance on SFC funding</li> <li>• Effective cost control</li> <li>• Active tracking of Credits against forecast</li> <li>• Protection of funding through dialogue with SFC</li> <li>• Scheme of Delegation</li> </ul> | <ul style="list-style-type: none"> <li>• Commercial Reporting to FGP/review by SLT</li> <li>• Reportage to SLT / FGP/ BoM</li> <li>• Finance business partnering to review budgets/spend with Managers, and timely preparation of Management Accounts and forecasts</li> <li>• Continuous monitoring of demand v funding allocation of student funds</li> <li>• Spot checks by team</li> </ul> |
| <b>Organisation Oversight Of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>• Strategic and Operating Plans approval process</li> <li>• Budgets approval process</li> <li>• Major project business cases approval processes</li> <li>• Finance Directors Network</li> </ul>   | <ul style="list-style-type: none"> <li>• Regular internal reporting to SLT, BoM and FGP Committee</li> <li>• Regular interaction with Scottish Funding Council Finance Team</li> <li>• Knowledge exchange through Finance Directors Network / Colleges Scotland</li> <li>• VPs Group and Principals Group</li> <li>• Benchmarking against other colleges</li> </ul>                            |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>• Internal Audit Programme</li> <li>• External Audit</li> <li>• Regional Outcome Agreement</li> </ul>   | <ul style="list-style-type: none"> <li>• External firm of professionals appointed/External by Audit Scotland / approval by Audit Committee/BoM</li> <li>• Regular returns to Scottish Funding Council (FFR/FES)</li> </ul>   |

| NET RISK SCORE (i.e with controls in place) |            |        |            |                                       |       |
|---|------------|--------|------------|---------------------------------------|-------|
| LIKELIHOOD                                  | (A)<br>4/5 | IMPACT | (B)<br>5/5 | What is the total risk score? (A x B) | 20/25 |

| Risk Status | Meeting 1<br>MAJ | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite                          | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|---|---------------|------------------|-------------------|---------------|-----------------|
| 3   | Failure to achieve institutional sustainability |               | ↑                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |   | APPETITE IN/OUT |
|---------------|---|---|-----------------|
| Q1<br>Aug-Oct | Update  | Owner - No changes proposed. Rating remains G25/25, N 20/25   | OUT             |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat | A balanced budget has been approved for 2025-26, and longer term plans have been considered to provide a break even. The support staff pay award has not been agreed for 2025-26. |                 |
| Q2<br>Nov-Jan | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |
| Q3<br>Feb-Apr | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |
| Q4<br>May-Jul | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |

| Strategic Objective: Risk No: 4 Financial Fraud               |  |                                     |
|---|--|-------------------------------------|
| Reference to Risk Registers:                                  | Financial  | Owner: VP Corporate Services<br>AUD |
| Description of the Risk:                                      | Financial Fraud  |                                     |
| What are the possible consequences if the risk was to emerge? | Financial Loss, Loss of reputation, impact to financial sustainability |                                     |

| GROSS RISK SCORE (i.e without controls in place) |            |               |            |                                       |       |
|--|------------|---------------|------------|---------------------------------------|-------|
| LIKELIHOOD                                       | (A)<br>4/5 | IMPACT        | (B)<br>3/5 | What is the total risk score? (A x B) | 12/25 |
| The GROSS risk is therefore:<br>MIN/MOD/MAJ/CRIT |            | Moderate Risk |            |                                       |       |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>   | MITIGATIONS  | MONITORING   |
|---|--|--|
| <b>Front Line</b><br><b>(Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision | <ul style="list-style-type: none"> <li>No PO / no Pay policy</li> <li>Scheme of Delegation with regular review</li> <li>Segregation of duties and review of transactions</li> <li>Staff training and sharing of good practice for risks</li> </ul> | <ul style="list-style-type: none"> <li>Continuous review of financial controls and spot checks by team</li> <li>Implementation of Internal Audit recommendations</li> <li>Training records/ tracking of audit recommendations</li> </ul> |

|  |   |   |
|--|---|---|
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Review of impact of any changes in structure or duties</li> <li>Public Interest Disclosure (Whistleblowing) Policy</li> <li>Internal reviews from College team now taking place</li> </ul> | <ul style="list-style-type: none"> <li>SLT reportage</li> <li>Monitoring across SLT Directorates</li> <li>Tracking of audit recommendations</li> <li>Participation in Audit Scotland's National Fraud Initiative exercise for reporting and review</li> </ul> |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>Internal Audit plan</li> </ul>   | <ul style="list-style-type: none"> <li>Internal Audit</li> <li>External firm of professionals appointed / approval and review of reports by Audit Committee /BoM oversight</li> </ul>   |

**NET RISK SCORE (i.e with controls in place)**

|                   |            |               |            |                                       |             |
|-------------------|------------|---------------|------------|---------------------------------------|-------------|
| <b>LIKELIHOOD</b> | (A)<br>3/5 | <b>IMPACT</b> | (B)<br>2/5 | What is the total risk score? (A x B) | <b>6/25</b> |
|-------------------|------------|---------------|------------|---------------------------------------|-------------|

|                    |                          |                  |                  |                  |
|--------------------|--------------------------|------------------|------------------|------------------|
| <b>Risk Status</b> | <b>Meeting 1<br/>MIN</b> | <b>Meeting 2</b> | <b>Meeting 3</b> | <b>Meeting 4</b> |
|--------------------|--------------------------|------------------|------------------|------------------|

| No. | Risk and Risk Appetite | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|------------------------|---------------|------------------|-------------------|---------------|-----------------|
| 4   | Financial Fraud        |               | ↓                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |  | APPETITE<br>IN/OUT |
|---------------|---|--|--------------------|
| Q1<br>Aug-Oct | Update  | Owner - No changes proposed. Ratings remain at G 12/25 and N 6/25. | IN                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |                    |

|               |   |  |  |
|---------------|---|--|--|
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q4<br>May-Jul | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

| Strategic Objective: Risk No: 5 Business Continuity           |   |                              |
|---|---|------------------------------|
| Reference to Risk Registers:                                  | Organisational  | Owner: VP Corporate Services |
| Description of the Risk:                                      | Business Continuity Incident – Fire, Systems, Emergency Procedures, Health threats  |                              |
| What are the possible consequences if the risk was to emerge? | Serious impact to the college's ability to operate and deliver education to students, safeguarding of staff and students, impact to financial sustainability of college, loss of reputation |                              |

| GROSS RISK SCORE (i.e without controls in place) |            |            |            |                                       |       |
|--|------------|------------|------------|---------------------------------------|-------|
| LIKELIHOOD                                       | (A)<br>4/5 | IMPACT     | (B)<br>4/5 | What is the total risk score? (A x B) | 16/25 |
| The GROSS risk is therefore:<br>MIN/MOD/MAJ/CRIT |            | Major Risk |            |                                       |       |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>  | MITIGATIONS   | MONITORING  |
|--|---|---|
| <b>Front Line<br/>(Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision  | <ul style="list-style-type: none"> <li>Business Continuity Plan</li> <li>Staff CPD on business continuity themes</li> <li>Monitoring Public Health Advice</li> <li>Planning, careful phasing of processes, systems and equipment</li> <li>Asset register</li> <li>Effective management of GDPR</li> </ul> | <ul style="list-style-type: none"> <li>Adherence to local and national Public Health Guidance</li> <li>Reporting to SLT on effectiveness of testing arrangements.</li> <li>Business continuity Plan walkthrough and desk top scenario planning</li> <li>Active data protection monitoring, training and auditing</li> <li>User acceptance testing of new systems</li> </ul> |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Rolling programme of routine updates to systems and equipment</li> </ul>   | <ul style="list-style-type: none"> <li>Liaison with SFC and Colleges Scotland</li> <li>Climate Emergency College Group (includes Student Representatives)</li> </ul>  |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>Communication to stakeholders</li> <li>Cyber Essentials</li> <li>Externally completed Fire Risk Assessment</li> <li>Advice from Local Resilience Partnership of which we are part of the operational group.</li> </ul>   | <ul style="list-style-type: none"> <li>Internal Audit on process and statutory compliance</li> <li>BoM oversight</li> </ul>   |

| NET RISK SCORE (i.e with controls in place) |            |         |            |                                       |       |
|---|------------|---------|------------|---------------------------------------|-------|
| LIKELIHOOD                                  | (A)<br>4/5 | IMPACT? | (B)<br>3/5 | What is the total risk score? (A x B) | 12/25 |

| Risk Status | Meeting 1<br>MOD | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite | Averse 1-6 | Cautious 7-10 | Moderate 11-15 | Open 16-20 | Hungry 21-25 |
|-----|------------------------|------------|---------------|----------------|------------|--------------|
| 5   | Business Continuity    |            | ↑             |                |            |              |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |   |  | APPETITE IN/OUT |
|---------------|---|---|--|-----------------|
| Q1<br>Aug-Oct | Update  | Owner - No changes proposed. Rating remains G16/25, N 12/25   |  | OUT             |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat | Work is planned to update the Fire Risk Assessment, and staff CPD. Further Desktop exercises will be undertaken with staff. |  |                 |

|               |   |  |  |
|---------------|---|--|--|
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |
| Q4<br>May-Jul | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

| Strategic Objective: Risk No: 6 Failure to Comply with Regulatory Obligations |  |                                  |
|---|--|----------------------------------|
| Reference to Departmental Risk Registers:                                     | Organisational   | Owner: VP Corporate Services BoM |
| Description of the Risk:  | Failure to comply with regulatory obligations  |                                  |
| What are the possible consequences if the risk was to emerge?                 | Loss of reputation, impact to financial sustainability, Government bodies intervention |                                  |

| GROSS RISK SCORE (i.e without controls in place) |            |        |            |                                       |
|--|------------|--------|------------|---------------------------------------|
| LIKELIHOOD                                       | (A)<br>3/5 | IMPACT | (B)<br>5/5 | What is the total risk score? (A x B) |
| The GROSS risk is therefore: MIN/MOD/MAJ/CRIT    |            |        |            | <b>15/25</b>                          |
| <b>Moderate Risk</b>                             |            |        |            |                                       |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>   | MITIGATIONS   | MONITORING  |
|---|---|---|
| <b>Front Line (Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision                         | <ul style="list-style-type: none"> <li>Mandatory training for Prevent, Health and Safety, Safeguarding and GDPR with regular updates</li> <li>Staff awareness and contingency planning</li> <li>Additional Safeguarding training in place for front line support staff</li> <li>Robust systems and procedures in place with regular review</li> <li>Engagement/practice sharing with local agencies</li> <li>Awareness and benchmarking from HEFESTIS, insurers and other advisers</li> </ul> | <ul style="list-style-type: none"> <li>Business Continuity Plan including scenario testing</li> <li>Training records/ Reportage to SLT</li> </ul> |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial | <ul style="list-style-type: none"> <li>Engagement/practice sharing with local agencies</li> <li>Board approval of SFC submissions</li> </ul>  | <ul style="list-style-type: none"> <li>Information sharing with local agencies</li> <li>Reportage to SLT/ Committees and BOM</li> </ul>           |



|  |  |   |
|--|--|---|
| controls / Management controls / Project assurance               |  |   |
| <b>Independent Assurance</b><br>Internal Audit / external bodies | <ul style="list-style-type: none"> <li>Internal Audit Plan and review</li> <li>External Audit Planning and review</li> </ul> | <ul style="list-style-type: none"> <li>External firm of professionals appointed/ approval and review of reports by Audit Committee</li> <li>Education Scotland review and assessment</li> </ul> |

**NET RISK SCORE (i.e with controls in place)**

|                   |            |               |            |                                       |             |
|-------------------|------------|---------------|------------|---------------------------------------|-------------|
| <b>LIKELIHOOD</b> | (A)<br>5/5 | <b>IMPACT</b> | (B)<br>1/5 | What is the total risk score? (A x B) | <b>5/25</b> |
|-------------------|------------|---------------|------------|---------------------------------------|-------------|

|                    |                          |                  |                  |                  |
|--------------------|--------------------------|------------------|------------------|------------------|
| <b>Risk Status</b> | <b>Meeting 1<br/>MIN</b> | <b>Meeting 2</b> | <b>Meeting 3</b> | <b>Meeting 4</b> |
|--------------------|--------------------------|------------------|------------------|------------------|

| No. | Risk and Risk Appetite                        | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|---|---------------|------------------|-------------------|---------------|-----------------|
| 6   | Failure to comply with regulatory obligations |               | ↓                |                   |               |                 |

| QTR                  | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                                   |  | APPETITE<br>IN/OUT |
|----------------------|--|--|--------------------|
| <b>Q1</b><br>Aug-Oct | <b>Update</b>  | No changes proposed. Ratings remain at G 15/25 and N 5/25  | IN                 |
|                      | <b>If outside appetite – what are tolerance levels and Actions/ Plans to Treat</b> | Internal Audit review for Health and Safety in April 2025 gave a Substantial Assurance opinion, and the Risk was updated following a Deep Dive by the Audit Committee in March 2025. |                    |

|                      |  |  |  |
|----------------------|--|--|--|
| <b>Q2</b><br>Nov-Jan | <b>Update</b>  |  |  |
|                      | <b>If outside appetite – what are tolerance levels and Actions/ Plans to Treat</b> |  |  |

|                      |  |  |  |
|----------------------|--|--|--|
| <b>Q3</b><br>Feb-Apr | <b>Update</b>  |  |  |
|                      | <b>If outside appetite – what are tolerance levels and Actions/ Plans to Treat</b> |  |  |

|                      |  |  |  |
|----------------------|--|--|--|
| <b>Q4</b><br>May-Jul | <b>Update</b>  |  |  |
|                      | <b>If outside appetite – what are tolerance levels and Actions/ Plans to Treat</b> |  |  |

| Strategic Objective: Risk No: 7 Failure to Achieve Effective Industrial Relations |   |                                     |
|---|---|-------------------------------------|
| Reference to Risk Registers:  | Organisational  | Owner: VP Corporate Services<br>FGP |
| Description of the Risk:  | Failure to achieve effective Industrial Relations through local dialogue/relationships and effect of national campaigns from trade unions |                                     |
| What are the possible consequences if the risk was to emerge?                     | Financial loss, impact to ability to effectively teach, industrial action, action short of strike action (ASOS), loss of reputation.      |                                     |

| GROSS RISK SCORE (i.e without controls in place) |            |               |            |                                       |       |
|--|------------|---------------|------------|---------------------------------------|-------|
| LIKELIHOOD                                       | (A)<br>3/5 | IMPACT        | (B)<br>4/5 | What is the total risk score? (A x B) | 12/25 |
| The GROSS risk is therefore:<br>MIN/MOD/MAJ/CRIT |            | Moderate Risk |            |                                       |       |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>  | MITIGATIONS   | MONITORING   |
|--|---|--|
| <b>Front Line</b><br>(Management Assurance)<br><br>Operational Delivery /Systems /Quality Assurance /Supervision   | <ul style="list-style-type: none"> <li>Constructive formal and informal communication channels</li> <li>Regular meetings</li> <li>Staff awareness and contingency planning</li> </ul>   | <ul style="list-style-type: none"> <li>LJNC (Local Joint Negotiating Committee)</li> <li>College Employers Scotland advice and updates</li> <li>Regular union/management dialogue</li> </ul> |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>LJNC (Local Joint Negotiation Committee)</li> <li>Representation at Employers Association</li> <li>NRPA (National Recognition and Procedures Agreement); T&amp;Cs</li> <li>Representation at Strategic HR Network</li> </ul> | <ul style="list-style-type: none"> <li>ELT/SLT/Board</li> <li>Staff engagement survey</li> <li>Regular union/management dialogue</li> </ul>  |
| <b>Independent Assurance</b><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>College Employers Scotland</li> </ul>  | <ul style="list-style-type: none"> <li>SFC/Scottish Government</li> <li>HR Sub/BoM oversight</li> </ul>  |

| NET RISK SCORE (i.e with controls in place) |            |        |            |                                       |      |
|---|------------|--------|------------|---------------------------------------|------|
| LIKELIHOOD                                  | (A)<br>2/5 | IMPACT | (B)<br>3/5 | What is the total risk score? (A x B) | 6/25 |

| Risk Status | Meeting 1<br>MIN | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite                            | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|---|---------------|------------------|-------------------|---------------|-----------------|
| 7   | Failure to achieve effective Industrial Relations |               | ↓                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |  | APPETITE IN/OUT |
|---------------|---|--|-----------------|
| Q1<br>Aug-Oct | Update  | Owner - No changes proposed Ratings remain at G 12/25 and N 6/25 | IN              |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |                 |

|               |   |  |  |
|---------------|---|--|--|
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q4<br>May-Jul | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

**Strategic Objective: Risk No: 8 Failure to achieve highest academic performance**

|   |  |  |
|---|--|--|
| Reference to Departmental Risk Registers:                     | Organisational   | Owner: VP Learning, Skills and Student Experience LT |
| Description of the Risk:                                      | Failure to achieve highest academic performance levels   |  |
| What are the possible consequences if the risk was to emerge? | Loss of reputation in the region, financial sustainability, ability to attract future students and educational partners<br><br><b>Note</b> – College performance has been a long term issue. Recent data and external scrutiny identifies a 3 year trend of sustained student success improvement. |  |

**GROSS RISK SCORE (i.e without controls in place)**

|  |            |                      |            |                                       |              |
|--|------------|----------------------|------------|---------------------------------------|--------------|
| LIKELIHOOD   | (A)<br>3/5 | IMPACT               | (B)<br>4/5 | What is the total risk score? (A x B) | <b>12/25</b> |
| The <b>GROSS</b> risk is therefore: MIN/MOD/MAJ/CRIT |            | <b>Moderate Risk</b> |            |                                       |              |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>   | MITIGATIONS  | MONITORING   |
|---|--|--|
| <b>Front Line (Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision               | <ul style="list-style-type: none"> <li>Online reportage of PI and Discussion with Teaching Team</li> <li>Self-Evaluation Reportage – Curriculum</li> <li>Student early experience survey and Student Satisfaction and Engagement Survey (SSES)</li> <li>Self-Evaluation Reportage – Support</li> <li>Complaint Procedure</li> <li>Observation of Learning Process</li> </ul> | <ul style="list-style-type: none"> <li>Managers and Directors monitor course PIs</li> <li>Self-evaluation reporting monitored by Performance</li> <li>Output of observation of learning feedback for individual and organisational development.</li> </ul> |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / | <ul style="list-style-type: none"> <li>Portfolio Review 1 - PI and Curriculum Plan</li> <li>Portfolio Review 2 - PI Review</li> <li>Support Review</li> <li>Performance Review of Self Evaluation Block 1</li> </ul>   | <ul style="list-style-type: none"> <li>College wide enhancement plan monitored annually</li> <li>Annual portfolio review to examine improvement actions</li> <li>Regular reportage on performance to</li> </ul>  |

|  |  |   |
|--|--|---|
| Financial controls /<br>Management controls / Project<br>assurance   | <ul style="list-style-type: none"> <li>Performance Review of Self Evaluation Block 2</li> <li>Complaint Report</li> <li>Introduction of Institution Led Quality Review (ILQR) in AY 25/26.</li> <li>Introduction of SLT Level Self-Evaluation and Action Plans.</li> </ul> | SLT <ul style="list-style-type: none"> <li>Reportage to L&amp;T Committee on College wide self -evaluation and portfolio reviews</li> </ul>   |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies | <ul style="list-style-type: none"> <li>Annual Engagement Visit by Inspection Body</li> <li>Self-evaluation and Action Plan reportage to SFC</li> <li>Risk based Cycle of External Verification Visits</li> </ul>   | <ul style="list-style-type: none"> <li>Reportage by Education Scotland presented to the BoM</li> <li>Reportage to SFC Outcome Team</li> <li>Awarding Body</li> <li>Scrutiny by QAA</li> </ul> |

| NET RISK SCORE (i.e with controls in place) |            |        |            |                                       |             |
|---|------------|--------|------------|---------------------------------------|-------------|
| LIKELIHOOD                                  | (A)<br>1/5 | IMPACT | (B)<br>4/5 | What is the total risk score? (A x B) | <b>4/25</b> |

| Risk Status | Meeting 1<br>MIN | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite                                 | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|--|---------------|------------------|-------------------|---------------|-----------------|
| 8   | Failure to achieve highest academic performance levels |               | ↓                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |  | APPETITE<br>IN/OUT |
|---------------|---|--|--------------------|
| Q1<br>Aug-Oct | Update  | Owner – no changes to ratings. G 12/25, N 4/25.<br><ul style="list-style-type: none"> <li>Level 2 - Introduction of Institution Led Quality Review (ILQR) in AY 25/26.</li> <li>Level 2 - Introduction of SLT Level Self-Evaluation and Action Plans (SEAP)</li> </ul> | IN                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |                    |
| Q2<br>Nov-Jan | Update  |  |                    |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |                    |
| Q3<br>Feb-Apr | Update  |  |                    |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |                    |
| Q4<br>May-Jul | Update  |  |                    |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |                    |

| Strategic Objective: Risk No 9: Failure to adhere to academic compliance |            |   |  |                                       |       |
|--|------------|---|--|---------------------------------------|-------|
|  |            |   |  |                                       |       |
| Reference to Risk Registers:   |            | Organisational  | Owner: VP Learning, Skills and Student Experience LT |                                       |       |
| Description of the Risk:   |            | Failure to adhere to academic compliance arrangements, eg awarding bodies, Education Scotland   |  |                                       |       |
| What are the possible consequences if the risk was to emerge:            |            | Loss of reputation, financial loss, loss of ability to deliver and develop new courses, loss of ability to issue international visas and impact on student certification. |  |                                       |       |
| GROSS RISK SCORE (i.e without controls in place)                         |            |   |  |                                       |       |
| LIKELIHOOD   | (A)<br>4/5 | IMPACT  | (B)<br>3/5   | What is the total risk score? (A x B) | 12/25 |
| The GROSS risk is therefore: MIN/MOD/MAJ/CRIT                            |            | Moderate risk   |  |                                       |       |

| 3 LINES OF DEFENCE<br><a href="#">Risk Mitigations and Owners.xlsx</a>   | MITIGATIONS   |  | MONITORING   |  |  |
|--|---|--|--|--|--|
| <b>Front Line (Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision  | <ul style="list-style-type: none"> <li>Assessor marks in line with national standards utilising awarding body resources.</li> <li>Curriculum team meetings</li> <li>Self-Evaluation Reportage – Curriculum</li> <li>Self Evaluation Reportage – Support</li> <li>Complaint Procedure</li> <li>Verification training module developed</li> </ul>   |  | <ul style="list-style-type: none"> <li>Internal verifier appointed for each unit and a cycle of verification is followed.</li> <li>Curriculum Managers</li> <li>Self-evaluation plan and reporting monitored by Performance</li> </ul>   |  |  |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Compliance report by academic block</li> <li>Performance Review of Self Evaluation Block 1</li> <li>Performance Review of Self Evaluation Block 2</li> <li>Performance Review of Self Evaluation Block 3</li> <li>Complaint Report</li> <li>Introduction of Institution Led Quality Review (ILQR) in AY 25/26.</li> <li>Introduction of SLT Level Self-Evaluation and Action Plans.</li> </ul> |  | <ul style="list-style-type: none"> <li>College Wide Review by Performance Manager at SLT</li> <li>Reportage to SLT and L&amp;T Committee on College wide self - evaluation and Complaints</li> </ul>   |  |  |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>Cycle of External Verification Visits</li> <li>Annual Engagement Visit</li> <li>Self-Evaluation Reportage to SFC</li> </ul>  |  | <ul style="list-style-type: none"> <li>External verifier</li> <li>Performance directorate monitor external verification and report to SLT and the L&amp;T Committee.</li> <li>Reportage by Education Scotland/QAA presented to the BoM</li> <li>SFC Outcome Team monitor returns and provide feedback as required</li> </ul> |  |  |

| NET RISK SCORE (i.e with controls in place) |            |        |            |                                       |      |
|---|------------|--------|------------|---------------------------------------|------|
| LIKELIHOOD                                  | (A)<br>2/5 | IMPACT | (B)<br>2/5 | What is the total risk score? (A x B) | 4/25 |

| Risk Status | Meeting 1<br>MIN | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|------------------------|---------------|------------------|-------------------|---------------|-----------------|
|-----|------------------------|---------------|------------------|-------------------|---------------|-----------------|

|   |   |  |   |  |  |  |
|---|---|--|---|--|--|--|
| 9 | Failure to adhere to academic compliance arrangements |  | ↓ |  |  |  |
|---|---|--|---|--|--|--|

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |   | APPETITE IN/OUT |
|---------------|---|---|-----------------|
| Q1<br>Aug-Oct | Update  | Owner – no changes to ratings – G 12/25 and N 4/25<br><ul style="list-style-type: none"> <li>Level 2 - Introduction of Institution Led Quality Review (ILQR) in AY 25/26.</li> <li>Level 2 - Introduction of SLT Level Self-Evaluation and Action Plans.</li> </ul> | IN              |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |

|               |   |  |  |
|---------------|---|--|--|
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q4<br>May-Jul | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|  |  |  |  |
|--|--|--|--|
| <b>Strategic Objective:</b>  |  | <b>Risk No: 10 Failure to achieve an effective student experience</b>  |  |
| <b>Reference to Risk Registers:</b>                                  |  | <b>Organisational</b>  | <b>Owner: VP Learning, Skills and Student Experience<br/>(Inc Infrastructure/Marketing/ICT)<br/>LT</b> |
| <b>Description of the Risk:</b>                                      |  | Failure to achieve an effective student experience   |  |
| <b>What are the possible consequences if the risk was to emerge?</b> |  | Loss of reputation in the region, financial sustainability, ability to attract future students, ability to retain students and potential to limit student progression. |  |

| GROSS RISK SCORE (i.e without controls in place)        |            |               |            |                                       |
|---|------------|---------------|------------|---------------------------------------|
| <b>LIKELIHOOD</b>                                       | (A)<br>3/5 | <b>IMPACT</b> | (B)<br>4/5 | What is the total risk score? (A x B) |
| The <b>GROSS</b> risk is therefore:<br>MIN/MOD/MAJ/CRIT |            |               |            | <b>12/25</b>                          |
| <b>Moderate Risk</b>                                    |            |               |            |                                       |

|  |                    |                   |
|--|--------------------|-------------------|
| <b>3 LINES OF DEFENCE</b><br><u><a href="#">Risk Mitigations and Owners.xlsx</a></u> | <b>MITIGATIONS</b> | <b>MONITORING</b> |
|--|--------------------|-------------------|

|  |   |  |
|--|---|--|
| <b>Front Line</b><br><b>(Management Assurance)</b><br><br>Operational Delivery /Systems<br>/Quality Assurance /Supervision   | <ul style="list-style-type: none"> <li>Curriculum team meetings</li> <li>Self-Evaluation Reportage – Curriculum</li> <li>Student early experience survey and Student Satisfaction and Engagement Survey (SSES)</li> <li>Student representative meetings</li> <li>Self-Evaluation Reportage – Support</li> <li>Complaint Procedure</li> <li>Observation of Learning process</li> </ul>   | <ul style="list-style-type: none"> <li>Curriculum Managers (CMs)</li> <li>Self-evaluation reporting monitored by Performance and Directors</li> <li>Performance return survey and SSES results to CMs</li> <li>Performance overview</li> <li>Self-evaluation reporting monitored by Performance and Directors</li> <li>Observation of learning process – student feedback gathered.</li> </ul> |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Performance Review of Self Evaluation Block 1</li> <li>Performance Review of Self Evaluation Block 2</li> <li>Performance Review of Self Evaluation Block 3</li> <li>Portfolio Review 1 - PI and Curriculum Plan</li> <li>Portfolio Review 2 - PI Review</li> <li>Support Review</li> <li>Complaint Report</li> <li>Introduction of Institution Led Quality Review (ILQR) in AY 25/26.</li> <li>Introduction of SLT Level Self-Evaluation and Action Plans.</li> </ul> | <ul style="list-style-type: none"> <li>Reportage to SLT and L&amp;T Committee on College wide self -evaluation, enhancement plan and portfolio reviews</li> </ul>  |
| <b>Independent Assurance</b><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>Annual Engagement Visit by Inspection Body</li> <li>Self-evaluation and Action Plan reportage to SFC</li> <li>Outcome Framework and Assurance Model</li> </ul>   | <ul style="list-style-type: none"> <li>Reportage by /QAA presented to the BoM</li> <li>SFC Outcome Team monitor returns and provide feedback as required</li> </ul>  |

**NET RISK SCORE (i.e with controls in place)**

|                   |            |               |            |                                       |             |
|-------------------|------------|---------------|------------|---------------------------------------|-------------|
| <b>LIKELIHOOD</b> | (A)<br>1/5 | <b>IMPACT</b> | (B)<br>4/5 | What is the total risk score? (A x B) | <b>4/25</b> |
|-------------------|------------|---------------|------------|---------------------------------------|-------------|

|                    |                          |                  |                  |                  |
|--------------------|--------------------------|------------------|------------------|------------------|
| <b>Risk Status</b> | <b>Meeting 1<br/>MIN</b> | <b>Meeting 2</b> | <b>Meeting 3</b> | <b>Meeting 4</b> |
|--------------------|--------------------------|------------------|------------------|------------------|

| No. | Risk and Risk Appetite                             | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|--|---------------|------------------|-------------------|---------------|-----------------|
| 10  | Failure to achieve an effective student experience |               |                  |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |   | APPETITE IN/OUT |
|---------------|---|---|-----------------|
| Q1<br>Aug-Oct | Update  | <div>Owner – no changes to ratings G12/25 and N 4/25</div> <ul style="list-style-type: none"><li>Level 2 - Introduction of Institution Led Quality Review (ILQR) in AY 25/26.</li><li>Level 2 - Introduction of SLT Level Self-Evaluation and Action Plans.</li></ul> | IN              |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |
| Q2<br>Nov-Jan | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/                |   |                 |

|               |   |  |
|---------------|---|--|
|               | Plans to Treat  |  |
| Q3<br>Feb-Apr | Update  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |
| Q4<br>May-Jul | Update  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |

**Strategic Objective: Risk No: 11 Failure to maintain systems and operable and secure ICT**

|   |   |  |
|---|---|--|
| Reference to Risk Registers:                                  | Organisational  | Owner: VP Learning, Skills and Student Experience<br>AUD |
| Description of the Risk:                                      | Failure to achieve and maintain systems and operable and secure ICT   |  |
| What are the possible consequences if the risk was to emerge? | Serious impact to the college's ability to operate and deliver education to students, financial loss, loss of data and reputation |  |

**GROSS RISK SCORE (i.e without controls in place)**

|  |            |                   |            |                                       |              |
|--|------------|-------------------|------------|---------------------------------------|--------------|
| LIKELIHOOD   | (A)<br>4/5 | IMPACT            | (B)<br>5/5 | What is the total risk score? (A x B) | <b>20/25</b> |
| The GROSS risk is therefore:<br>(MIN/MOD/MAJ/CRIT) |            | <b>Major Risk</b> |            |                                       |              |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>   | MITIGATIONS   | MONITORING  |
|---|---|---|
| <b>Front Line</b><br><b>(Management Assurance)</b><br>Operational Delivery /Systems /Quality Assurance /Supervision | <ul style="list-style-type: none"> <li>Documented disaster recovery procedures</li> <li>Cyber Incident disaster recovery plan and training</li> <li>Staff CPD on business continuity areas including Cyber security</li> <li>Firewalls and antivirus software in place</li> <li>ICT Systems linked to the Business Continuity and Management Plan</li> <li>One member of the Digital Services Team has successfully completed certified Ethical Hacker training, with a second team member scheduled to attend an upcoming session.</li> <li>Cyber essentials certified</li> <li>Ongoing cyber-attack response training for Digital Services Team, including scenarios each block</li> <li>Established playbooks for</li> </ul> | <ul style="list-style-type: none"> <li>Cyber exercises</li> <li>Phishing exercises</li> <li>Regular planned security monitoring.</li> <li>Network Monitoring</li> </ul> |



|  |   |  |
|--|---|--|
|  | emergency response <ul style="list-style-type: none"> <li>Digital Skills for Learning and Work Unit developed for students 25/26 pilot.</li> <li>Multi Factor Authentication introduced for all students.</li> </ul>                |  |
| <b>Organisation Oversight of Management Activity</b><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Planned cyber exercises</li> <li>Planned phishing exercises.</li> <li>Cyber exercises – exercise in a box NCSC</li> <li>Infrastructure updates from external review of ICT estate</li> </ul> | <ul style="list-style-type: none"> <li>Feedback via SLT/ELT on monitoring statistics</li> <li>Regular Board reporting around cyber position</li> </ul> |
| <b>Independent Assurance</b><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>CISO (Chief Information Security Officer) service in place through HEFESTIS.</li> </ul>  | <ul style="list-style-type: none"> <li>Regular reporting and risk assessment.</li> <li>Audit Committee/BoM oversight</li> </ul>                        |

## NET RISK SCORE (i.e with controls in place)

|            |            |        |            |                                       |              |
|------------|------------|--------|------------|---------------------------------------|--------------|
| LIKELIHOOD | (A)<br>3/5 | IMPACT | (B)<br>4/5 | What is the total risk score? (A x B) | <b>12/25</b> |
|------------|------------|--------|------------|---------------------------------------|--------------|

|             |                  |           |           |           |
|-------------|------------------|-----------|-----------|-----------|
| Risk Status | Meeting 1<br>MOD | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite  | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|---|---------------|------------------|-------------------|---------------|-----------------|
| 11  | Failure to achieve and maintain systems and operable and secure ICT |               | ↑                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |  | APPETITE IN/OUT |
|---------------|---|--|-----------------|
| Q1<br>Aug-Oct | Update  | Owner – no change to ratings: G20/25, N 12/25 <ul style="list-style-type: none"> <li>Level 2 - Digital Skills for Learning and Work Unit developed for students 25/26 pilot.</li> <li>Level 2 - Multi Factor Authentication introduced for all students.</li> </ul>  | Out             |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat | Additional mitigations have been introduced regarding student engagement in digital systems and awareness. Education programme not yet available to all students as being tested - A new module which includes cyber security, email management is currently being tested with students in curriculum areas. This will eventually be rolled out to all students. |                 |

|               |   |  |  |
|---------------|---|--|--|
| Q2<br>Nov-Jan | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|               |   |  |  |
|---------------|---|--|--|
| Q3<br>Feb-Apr | Update  |  |  |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |  |

|                |        |  |  |
|----------------|--------|--|--|
| Q4<br>May-July | Update |  |  |
|----------------|--------|--|--|

|  |   |  |
|--|---|--|
|  | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |  |
|--|---|--|

| Strategic Objective: Risk No: 12 Health & Safety Compliance   |  |                                  |
|---|--|----------------------------------|
| Reference to Risk Registers:                                  | Organisational   | Owner: VP Corporate Services BoM |
| Description of the Risk:                                      | Failure to meet regulatory health & safety obligations                                 |                                  |
| What are the possible consequences if the risk was to emerge? | Loss of reputation, financial penalties, criminal liability (corporate and individual) |                                  |

| GROSS RISK SCORE (i.e without controls in place) |     |            |     |                                       |       |
|--|-----|------------|-----|---------------------------------------|-------|
| LIKELIHOOD                                       | (A) | IMPACT     | (B) | What is the total risk score? (A x B) | 20/25 |
|  | 4/5 |            | 5/5 |                                       |       |
| The GROSS risk is therefore: (MIN/MOD/MAJ/CRIT)  |     | Major Risk |     |                                       |       |

| 3 LINES OF DEFENCE<br><u>Risk Mitigations and Owners.xlsx</u>  | MITIGATIONS  | MONITORING   |
|--|--|--|
| <b>Front Line (Management Assurance)</b><br><br>Operational Delivery /Systems /Quality Assurance /Supervision  | <ul style="list-style-type: none"> <li>Reporting and review procedures, including near miss</li> <li>Health and Safety and IOSH training for staff</li> <li>Regular communication on responsibilities</li> </ul>                                   | <ul style="list-style-type: none"> <li>Regular, formal Health &amp; Safety Committee</li> <li>BoM H&amp;S Champion attends H&amp;S committee meetings</li> </ul> |
| <b>Organisation Oversight of Management Activity</b><br><br>Internal Compliance and quality checks / Legal and Regulatory / Financial controls / Management controls / Project assurance | <ul style="list-style-type: none"> <li>Reporting of H&amp;S is standard agenda item at SLT meetings</li> <li>Smartlog System</li> <li>Weekly 1-1 H&amp;S meetings with H&amp;S Advisor</li> <li>Escalation process in place for H&amp;S</li> </ul> | <ul style="list-style-type: none"> <li>Reporting to FGP Committee / BoM</li> </ul>   |
| <b>Independent Assurance</b><br><br>Internal Audit / external bodies   | <ul style="list-style-type: none"> <li>External independent oversight from H&amp;S specialist</li> <li>Fire risk Assessor</li> <li>Allianz – insurer appointed engineering compliance surveyor</li> <li>CDN network</li> </ul>                     | <ul style="list-style-type: none"> <li>Internal Audit</li> <li>Public Health</li> <li>Environmental Health</li> </ul>  |

| NET RISK SCORE (i.e with controls in place) |     |        |     |                                       |       |
|---|-----|--------|-----|---------------------------------------|-------|
| LIKELIHOOD                                  | (A) | IMPACT | (B) | What is the total risk score? (A x B) | 12/25 |
|   | 3/5 |        | 4/5 |                                       |       |

| Risk Status | Meeting 1<br>MOD | Meeting 2 | Meeting 3 | Meeting 4 |
|-------------|------------------|-----------|-----------|-----------|
|-------------|------------------|-----------|-----------|-----------|

| No. | Risk and Risk Appetite     | Averse<br>1-6 | Cautious<br>7-10 | Moderate<br>11-15 | Open<br>16-20 | Hungry<br>21-25 |
|-----|----------------------------|---------------|------------------|-------------------|---------------|-----------------|
| 12  | Health & Safety compliance |               | ↑                |                   |               |                 |

| QTR           | UPDATE SINCE LAST REVIEW / ACTIONS AND TREATMENT                            |   | APPETITE IN/OUT |
|---------------|---|---|-----------------|
| Q1<br>Aug-Oct | Update  | Owner – Proposed to remove Risk 12 as H&S is incorporated within Risk 2 and Risk 6. |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |
| Q2<br>Nov-Jan | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |
| Q3<br>Feb-Apr | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |
| Q4<br>May-Jul | Update  |   |                 |
|               | If outside appetite – what are tolerance levels and Actions/ Plans to Treat |   |                 |

| <b>Audit Committee</b>  |  |                |
|---|--|----------------|
| Agenda Item   | <b>3</b>   |                |
| Paper Number  | <b>AUD0925-3.2</b>   |                |
| Date of Meeting   | <b>18 September 2025</b>   |                |
| Location  | <b>MS Teams</b>  |                |
| Title of Paper  | <b>Emerging Risk Register</b>  |                |
| Presented by  | <b>Lorraine Grierson</b>   |                |
| <b>Recommendation</b>   | <b>Discussion</b>  |                |
| Freedom of Information Disclosure Assessment  |  |                |
| FOI flag:   | <input checked="" type="checkbox"/> Disclosable <input type="checkbox"/> Non-disclosable |                |
| Reason/s for choice:  |  |                |
| Notes from author:<br>(When will it become<br>disclosable? Has FOI<br>Officer guidance been<br>sought?) |  |                |
| Further comments/updates after initial submission   |  |                |
| Date added  | Added by (name and role)   | Comment/detail |
|   |  |                |

Read Time: 3 Minutes

## 1. Recommendation

- 1.1. The Audit Committee are asked to discuss the Emerging Risk Register.

## **2. Executive Summary**

- 2.1 The Emerging Risk register has been created to ensure the capture of newly identified risks which may impact the College reaching its objectives in the future. The register allows for informed decision making, resource allocation, and strategic planning and enables timely and effective mitigation and preventative measures to avoid harm or missed opportunities.
- 2.2 SLT regularly monitor and discuss items on the register to ensure effective mitigations are applied, and assess whether they remain pertinent, can be removed or escalated. Any significant risk or escalation will be reported to Audit Committee when required or, at least annually.

## **3. Context**

- 3.1 Risk discussions take place during Operational Planning, Curriculum Reviews, Support Service Reviews and cross college Team meetings as well as professional sources. These discussions ensure risk consideration at all levels of the College and helps identify significant potential risks and opportunities which can be captured and escalated, if necessary, in line with the College Risk Management Policy.
- 3.2 The register also ensures we have an audit trail of compliance by identifying, monitoring and managing material risks and ensuring our risk management strategy is integrated within strategic planning.

## **4. The Emerging Risk Register**

- 4.1 The current register is attached below for your information. After due consideration by SLT, some risks have been closed down however there are 2 remaining.
- AI – Organisational/Operational. This is fast changing and will continue to be monitored.
  - National Job Evaluation - SLT have agreed that the National Job Evaluation Risk should be escalated to the Strategic Risk Register within its own right. This is due to a number of uncertainties throughout the process which may escalate industrial relations and put strain on resources ie workforce and funding.

## **5. Strategic Implications**

- 5.1 These risks could impact of Mission 2030 Pillars1 – Future Skills – Our students, Pillar 2 – Our Future workforce – Our People, Pillar 3 – Future Education – Our Learning

## 6. Risk

| Risk   | Mitigations   |
|--|---|
| Risk 3: Institutional sustainability<br>Risk 7: Industrial Relations | <ul style="list-style-type: none"> <li>➤ HR Staff are trained on Job Evaluation through FEDRA System.</li> <li>➤ Review of job descriptions for accuracy during PRD Meetings.</li> <li>➤ All new roles evaluated through the FEDRA system.</li> <li>➤ Close liaison with CES and Joint employer-trade union meetings that will be scheduled to progress the detail within the National Job Evaluation project and development of a full National Job Evaluation Business Case.</li> <li>➤ As fair work employers, colleges are committed to working with trade unions and other partners in the SFC and Scottish Government to resolve the issue of job evaluation for support staff promptly and equitably.</li> </ul> |

## 6. Implications

|                              |            |  |
|------------------------------|------------|--|
| <b>Financial</b>             | <b>YES</b> | Job Evaluation: <ul style="list-style-type: none"> <li>➤ Long term knock on financial impact on the college workforce budgets from finalised evaluated roles (current roles)</li> <li>➤ Additional resource for the project from phase 2 all the way through to final appeal. (2 years) *this is being applied for through the business case and hopefully funded by SFC.</li> </ul> |
| <b>Legal</b>                 | <b>YES</b> | Job Evaluation: <ul style="list-style-type: none"> <li>➤ Contingency for appeals process and union negotiations.</li> <li>➤ Compliance with equal pay legislation and NJNC framework.</li> </ul>   |
| <b>Learning and Teaching</b> | <b>YES</b> | Industrial action will impact on the student experience  |
| <b>Equalities</b>            | <b>YES</b> | Job Evaluation: <ul style="list-style-type: none"> <li>➤ Must ensure transparency and fairness in job evaluation scoring.</li> <li>➤ Appeals process must meet principles of natural justice and non-discrimination.</li> </ul>  |

**Lorraine Grierson**

Governance Professional

09 September 2025

## EMERGING RISK REGISTER (3-5year Impact)

| Reference  | Risk Description   | Category/<br>Link to<br>Strategic<br>Risks | Impact | Likelihood | Priority | Mitigation  | Review<br>Date | Action<br>reqd:<br>Review/<br>Close |
|--|--|--|--------|------------|----------|---|----------------|-------------------------------------|
| 1. AI -<br>Organisational/<br>Operational - K<br>Glendye | AI technologies are advancing rapidly, creating both opportunities and risks. Without a structured approach, existing policies, processes, and staff skills may become outdated or misaligned with new developments. Ethical considerations, data security, compliance requirements, and operational impacts must be actively managed to ensure the organisation can adapt effectively, maximise AI benefits, and avoid unintended consequences. | Risk 9; Risk 10; Risk 11;                  | Medium | Medium     | Medium   | <p>AI Governance – The Information Governance Group will oversee all AI activity, ensuring developments are monitored, assessed, and aligned with institutional priorities.</p> <p>Regulatory &amp; Ethical Compliance – Adoption will be guided by evolving legal and ethical standards, with oversight from the Information Governance Group.</p> <p>AI Staff and Student Guides – Clear guidance is in place to support responsible and informed use of AI by staff and students.</p> <p>Staff &amp; Student Guidance – Clear resources are in place to support responsible and informed AI use.</p> <p>Training &amp; Awareness – Ongoing workshops and partnerships with external providers ensure staff and students are upskilled.</p> <p>Phased Adoption &amp; Continuous Evaluation – AI tools and systems will be implemented in a controlled and phased approach, following the Systems Management Procedure to ensure structured implementation, monitoring, and risk mitigation.</p> | 31.01.25       |                                     |

|  |  |               |      |      |      |   |            |                                    |
|--|--|---------------|------|------|------|---|------------|------------------------------------|
| 2. Job Evaluation<br><br><b>Recommendation is to have as a separate risk itself.</b> | <p>The National Job Evaluation for support staff dates back to 2015-16 Support Staff Pay Agreement and was formalised in the 2017-18 Agreement. Historically bereft of delays and agreement on how to proceed. Complete new project approach, working more closely at each stage with the TU's which results in changes of project required information and timelines. Phase one completes on 5th September 2025. Delays in role mapping and evaluation could impact compliance and funding approval. Employee relations risks during grading reviews and appeals. Failure to manage expectations around backdated pay and timelines. Failure to manage expectations around backdated pay and timelines.</p> <p>Securing Scottish Government funding remains the immediate priority, and a full Business Case is being prepared with input from the Scottish Funding Council. This funding will support the delivery of the project, any required salary adjustments, and backdated pay.</p> | Risk 3 Risk 7 | High | High | High | <ul style="list-style-type: none"> <li>Follow the established clear, realistic project timeline with milestones and regular progress reviews.</li> <li>Allocate dedicated resources and trained HR staff to prioritise role mapping and evaluation tasks. (post funding agreement)</li> <li>Maintain ongoing communication with CES and Strategic HR Network to align expectations and timelines.</li> <li>Implement transparent, consistent communication strategies to keep staff informed.</li> <li>Provide training and guidance to line managers on handling job description reviews.</li> <li>Communicate regularly and clearly about realistic timelines, potential delays, and pay impact scenarios.</li> <li>Engage employee representatives early to foster understanding and manage expectations.</li> <li>Prepare contingency plans for phased pay implementation if funding or timelines shift.</li> <li>Engage proactively with funders to advocate for necessary resources and clarify funding parameters.</li> <li>Explore alternative budget scenarios and prioritise critical elements if job evaluation goes ahead and full funding not approved.</li> </ul> | 01.01.2026 | Monitor and report progress to SLT |
|--|--|---------------|------|------|------|---|------------|------------------------------------|



| <b>Audit Committee</b>   |  |                |
|--|--|----------------|
| Agenda Item  | <b>3</b>   |                |
| Paper Number   | <b>AUD0925-3.3</b>   |                |
| Date of Meeting  | <b>18 September 2025</b>   |                |
| Location   | <b>MS Teams</b>  |                |
| Title of Paper   | <b>Deep Dive Risk 1</b>  |                |
| Presented by   | <b>Douglas Dickson</b>   |                |
| <b>Recommendation</b>  | <b>Discussion</b>  |                |
| <b>Freedom of Information Disclosure Assessment</b>  |  |                |
| FOI flag:  | <input checked="" type="checkbox"/> Disclosable <input type="checkbox"/> Non-disclosable |                |
| Reason/s for choice:   |  |                |
| Notes from author:<br>(When will it become disclosable? Has FOI Officer guidance been sought?) |  |                |
| <b>Further comments/updates after initial submission</b>                                       |  |                |
| Date added   | Added by (name and role)   | Comment/detail |
|  |  |                |

Read Time: 10 minutes

## 1. Recommendation

- 1.1 The Audit Committee are asked to discuss and note the contents of this paper which scrutinises Risk 1.
- 1.2 The Committee is asked to consider whether Risk 1 constitutes a risk, given the mitigations already in place through funding controls and Ministerial guidance

## 2. Executive Summary

- 2.1 The purpose of this paper is to provide the Audit Committee with a deeper dive into **Risk 1: Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities**. This risk is monitored by the Board of Management (BoM) and owned by the Principal.
- 2.2 Given this risk has been in place for 5 years. Significant College change has been brought to ensure that national and local priorities are followed within DGC plans and strategies.
- 2.3 Whilst the College can operate autonomously there are key mitigations in funding and the Ministerial Letter of Guidance which prevent the pursuit of interests outwith national and local priorities.

## 3. Context

- 3.1 This paper provides context to Risk 1, outlines mitigations, identifies how the risk is monitored which determines the residual risk score after discussion at Board.
- 3.2 Context of risk and gross rating rationale
- 3.2.1 The College has a statutory and strategic responsibility to align its strategy with both regional economic needs and national priorities. A failure to do so risks undermining the College's relevance and contribution to economic and social development across Dumfries and Galloway and has implications for meeting Scotland's skills requirements.

## 4. Outline of Key Mitigations

- 4.1 Mission 2030
- 4.1.1 The College's strategy, Mission 2030, has been mapped directly to key national and regional strategies. This alignment ensures that the strategy the College is pursuing will meet the needs of Scotland and the region.
- 4.1.2 Mission 2030 is monitored at various College committees, including the Board of Management. In 2024/25 the Operating Plan as part of the Performance Report detailed progress on Mission 2030.
- 4.2 Regional Economic Partnership
- 4.2.1 The College is a member of the Regional Economic Partnership (REP) which enables milestones within the Regional Economic Strategy (RES), devised by the REP, to be monitored.
- 4.2.2 The College has 2 key RES actions—

### 1. Supporting Education & Skills Priorities

The REP's Theme 1 – Skilled and Ambitious People places education and training central to regional development. Its priorities include:

- Enhancing access to skills, training, and employment
- Meeting employer needs better
- Supporting youth education and building lifelong learning opportunities

- Preparing the workforce for the future of work

These are advanced through a South of Scotland Education and Skills Group, established as a REP subgroup. The College actively contributes to this group.

## **2. Bridging Skills, Learning & Employers' Needs**

The RES emphasises the importance of collaboration - "Developing a stronger offering on developing skills, training, learning and education provision in all its forms and to all ages working in collaboration between schools, colleges and university and other providers."

The College play a critical role in ensuring education aligns with employer needs and lifelong learning is accessible.

- 4.2.3 The RES is monitored by measurement of key indicators by the REP.

### **4.3 Ministerial Letter of Guidance and External Review**

- 4.3.1 The Minister for Further and Higher Education identifies key college priorities which are then monitored as part of the quality arrangements for colleges. The external review is a key mitigation as it ensures that College strategy matches the national and local priorities.

### **4.4 Outline Monitoring and residual grading rationale**

- 4.4.1 Existing mitigations, coupled with strong oversight and assurance mechanisms, significantly reduce the likelihood of the risk materialising.
- 4.4.2 Monitoring takes place at ELT/SLT, Board and Board subcommittee.
- 4.4.3 As a result of the level of monitoring of this risk which is essentially the College's rationale for existing the risk is low. Delivering on the College strategy permeates all the work of the College, the Board, and key external strategic meetings.

### **4.4 Historic Grading Risk 1**

| Date               | Inherent Grading | Residual Grading |
|--------------------|------------------|------------------|
| 22-23 Meetings 1-4 | G 16/25          | N 9/25           |
| 23-24 Meetings 1-4 | G 16/25          | N 9/25           |
| 24-25 Meetings 1-3 | G 16/25          | N 9/25           |
| 24-25 Meeting 4    | G 16/25          | N 8/25           |

### **4.5 Appetite and Tolerance**

- 4.5.1 The risk is open and within tolerance.

## **5. Strategic Implications**

- 5.1 To provide a clear indicator of expectations of the college sector the Minister for Further and Higher Education provides a ministerial letter of guidance which ensures there is

strong alignment of the College's strategy with regional and national policy which is vital for:

- Economic growth and skills development in Dumfries & Galloway.
- Financial sustainability of the College.
- Reputational standing with stakeholders, including Scottish Funding Council and external quality review.

## 5. Risk

| Risk  | Mitigations                           |
|---|---------------------------------------|
| Risk 1 Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities | ➤ See risk register paper AUD0925-3.1 |

## 6. Implications

|                              |     |   |
|------------------------------|-----|---|
| <b>Financial</b>             | Yes | Misalignment could threaten financial sustainability.                         |
| <b>Legal</b>                 | Yes | A failure to meet key statutory requirements could result in legal challenge. |
| <b>Learning and Teaching</b> | Yes | Strategic misalignment undermines curriculum quality and relevance            |
| <b>Equalities</b>            | Yes | A failure to consider all students could impact key groups.                   |

**Douglas Dickson**

Principal & CEO

27 August 2025

| Committee   |   |                |
|---|---|----------------|
| Agenda Item   | 4   |                |
| Paper Number  | AUD0925-4.1   |                |
| Date of Meeting   | 18 September 2024                                       |                |
| Location  | MS Teams  |                |
| Title of Paper  | Risk Appetite Review                                    |                |
| Presented by  | L Grierson  |                |
| Recommendation  | Approval  |                |
| Freedom of Information Disclosure Assessment  |   |                |
| FOI flag:   | <input type="checkbox"/> Disclosable    Non-disclosable |                |
| Reason/s for choice:  | Can be disclosed once approved by BoM                   |                |
| Notes from author:<br>(When will it become<br>disclosable? Has FOI<br>Officer guidance been<br>sought?) |   |                |
| Further comments/updates after initial submission   |   |                |
| Date added  | Added by (name and role)                                | Comment/detail |
|   |   |                |

Read Time: 25 Minutes

## 1. Recommendation

The Audit Committee is asked to consider and **approve** the updated risk appetite for 2025-26.

## 2. Executive Summary

- 2.1. The purpose of this paper is for the Committee to satisfy itself that the organisation is properly embedding the risk appetite within the activities, limits, and reporting of the organisation, and invite **approval of** the reviewed risk appetite for Dumfries and Galloway College. The risk appetite is appended to each risk as they are reviewed at the relevant committees and board of management meetings.

## 3. Context

### 3.1 Dumfries and Galloway College's Risk Appetite

- 3.1.1 The College maintains a risk register which divides its risks into 12 areas. Each has an Executive lead, and each risk is monitored by the Board, but a number are overseen operationally by Board committees, which report back to Audit committee and the Board. Each risk area on the risk register has a score for gross risk (without controls) and net risk (with controls). For the Board to monitor the risks the executive has proposed a risk appetite for each which includes a statement of how that has been derived and a justification for it has been set out. We have also set out a statement for the overall risk appetite of the College (appendix 1).

- 3.1.2 The 12 organisational risk areas are:

- Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities.
- Legal actions; serious accident; incident or civil/criminal breach
- Failure to achieve institutional sustainability.
- Financial Fraud
- Business Continuity Incident – e.g., Fire, MIS Failure, Failure of Emergency Procedures, Threats to Health
- Failure to meet regulatory obligations
- Failure to achieve effective Industrial Relations
- Failure to achieve highest academic performance levels
- Failure to adhere to academic compliance arrangements
- Failure to achieve an effective student experience
- Failure to achieve and maintain systems and operable and secure ICT
- Health and Safety Compliance

- 3.1.3 For each area, Dumfries and Galloway College undertook an assessment of its risk appetite using the five-point scale: Averse/ Cautious/ Moderate/ Open/ Hungry. The definitions of each point on the scale were based on guidance developed by HM Treasury for public bodies and the executive's rationale for each risk and associated appetite was compiled.

### 3.2 Risk Appetite: 5 Point Scale

| Classification | Description   |
|----------------|---|
| AVERSE         | Prepared to accept only the very lowest levels of risk, with the preference being for very safe decision-making and strategy implementation, while recognising there may be little opportunity for innovation or the exploitation of new opportunities. |
| CAUTIOUS       | Willing to accept some low risks, while maintaining an overall preference for safe decision-making and strategy implementation, despite the probability that there is restricted potential for innovation and increased outcomes and benefits.          |
| MODERATE       | Tending predominantly towards exposure to only modest levels of risk in order to achieve acceptable, but possibly unambitious outcomes or benefits.   |
| OPEN           | Prepared to consider innovative decisions and strategic implementation and selecting those with the highest probability of productive outcomes and benefits, even where there are elevated levels of associated risk.                                   |
| HUNGRY         | Proactively taking innovative/creative/pioneering decisions and adopting forms of strategic implementation, while accepting the associated substantial risk levels in order to secure highly successful outcomes and benefits.                          |

### 3.3 Executive Assessment of Dumfries and Galloway College's Risk Appetite

- 3.3.1 Risk 3: Failure to achieve institutional sustainability - We have a 4-year trend of having a financial surplus together with substantial assurance for the financial planning audit, plus commercial income growth .. We recognise that we have appropriate measures and controls in place to safeguard our financial sustainability, which receives rigorous scrutiny, therefore we propose to move the appetite from cautious to moderate.
- 3.3.2 Risk 5: Business Continuity - health and safety and business continuity planning audits received substantial assurance indicating appropriate controls are in place and we propose to move the appetite from cautious to moderate.
- 3.3.3 After review it is felt that the remaining risk appetites are at the right level which are outlined in the appetite statement below.
- 3.3.4 Amendments to the risk appetite statement to reflect the above changes, are highlighted in yellow in the statement at appendix 1.

| No. | Risk and Risk Appetite   | Averse | Cautious | Moderate | Open  | Hungry |
|-----|--|--------|----------|----------|-------|--------|
|     |  | 1-6    | 7-10     | 11-15    | 16-20 | 21-25  |
| 1   | Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities |        |          |          |       |        |
| 2   | Legal actions; serious accident; incident or civil/criminal breach                                       |        |          |          |       |        |
| 3   | Failure to achieve institutional sustainability  |        | →        |          |       |        |
| 4   | Financial Fraud  |        |          |          |       |        |
| 5   | Business Continuity Incident – e.g., Fire, Failure of Emergency Procedures, Threats to Health            |        | →        |          |       |        |
| 6   | Failure to meet regulatory obligations   |        |          |          |       |        |
| 7   | Failure to achieve effective Industrial Relations  |        |          |          |       |        |
| 8   | Failure to achieve highest academic performance levels   |        |          |          |       |        |
| 9   | Failure to adhere to academic compliance arrangements  |        |          |          |       |        |
| 10  | Failure to achieve effective student outcomes  |        |          |          |       |        |
| 11  | Failure to achieve and maintain systems and operable and secure ICT                                      |        |          |          |       |        |
| 12  | Health and Safety Compliance   |        |          |          |       |        |

## 6. Strategic Implications

- 6.1 The risks associated with Audit Committee link into the following strategic priorities:  
 Priority 1 – Student Experience, Priority 4 – Growth and Financial Sustainability; Priority 5 – Systems and Infrastructure

## 7. Risk

| Risk      | Mitigations                                      |
|-----------|--|
| All Risks | ➤ As per Risk Register supporting documentation. |



**8. Implications**

|                              |           |  |
|------------------------------|-----------|--|
| <b>Financial</b>             | <b>NO</b> |  |
| <b>Legal</b>                 | <b>NO</b> |  |
| <b>Learning and Teaching</b> | <b>NO</b> |  |
| <b>Equalities</b>            | <b>NO</b> |  |

**Lorraine Grierson**

Governance Professional

1 September 2025

## Appendix 1

**1 Risk Appetite Statement**

- 1.1 We encourage a well-managed risk appetite to develop and deliver a high-quality Student Experience to meet the changing needs of our region. We will ensure that we do not lose sight of the impact of taking these risks in more risk-sensitive parts of the business.
- 1.2 Taking a well understood approach to risk to help us achieve our long-term mission of providing individuals, businesses, and communities with the skills to flourish. We are willing to take well-managed risks to raise profile, and performance levels, creating meaningful partnerships with stakeholders to influence policymakers on behalf of the region we serve and across the tertiary education sector.
- 1.3 In areas of our business where we are restricted in our risk taking due to the requirement to comply with relevant policy, regulations, legislation, and standards (e.g, financial management, data protection, safeguarding legislation) our risk appetite is to comply; however, in order to operate efficiently and take advantage of suitable new opportunities, we are willing to incur low levels of risk where requirements are open to interpretation.

| Risk Area   | Appetite Statement  | How Delivered   |
|---|---|---|
| <p>Name: Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities</p> <p>Risk No: 1</p> <p>Contact: Principal</p> | <p>We are willing to take well-informed and well managed risks to change the service we provide or the way we relate to our stakeholders.</p>   | <p>To improve our service, we may need to change the way we operate and relate to them. So, we can meet the needs of policy drivers we are willing to take the risk that changes may not align with all stakeholders' needs.</p>    |
|   | <p>We may take well-understood risks to resource use, service levels and customer satisfaction to improve the way we serve our stakeholders create opportunities for our students.</p>      | <p>We are reluctant to take a risk that could have a significant impact on our relationship with our primary funder. We will publish timely communications to our stakeholders detailing the offer and any changes to services.</p> |
|   | <p>We are willing to accept well-understood risks that come from offering a service that supports our strategic aims.</p>   | <p>We will regularly seek opportunities for stakeholder engagement and feedback.</p>  |
|   | <p>We are willing to accept well-understood risks that come from moving to new business models that help our long-term strategic position.</p>  | <p>When introducing new business models, we accept there is a risk that not all stakeholders will like the outcome, and this may have a negative impact on our profile.</p>   |
|   | <p>We are willing to take managed risks that enable Dumfries and Galloway College to support policy developments.</p>   | <p>We will ensure all interaction with media and PR is carefully managed through external expertise.</p>  |
|   | <p>We will not risk taking any position that would harm our ability to maintain Dumfries and Galloway College's reputation and status as a publicly funded not-for-profit organisation.</p> | <p>We will manage staff and student behaviour likely to cause reputational damage through the relevant college policy framework.</p>  |

| Risk Area  | Appetite Statement   | How Delivered   |
|--|--|---|
|  | We will not risk taking a position that would bring Dumfries and Galloway College into disrepute either through staff or student activity or alignment to stakeholder activity that would compromise this position.  | We will routinely seek the views of staff, student and stakeholders on our services and publish the outcome of these.   |
| <p>Name: Legal actions;<br/>serious accident;<br/>incident or civil/<br/>criminal breach</p> <p>Risk No: 2</p> <p>Contact: Principal</p>       | <p>We will always comply with the legal and regulatory framework in which we operate.</p> <p>In places where law or regulation is open to interpretation, we may use an interpretation that favours our preferred course of action (based on legal counsel), where we know that any legal challenge favours our position.</p> <p>We are willing to incur a limited amount of risk of a contractual dispute to achieve important strategic or financial goals.</p> <p>We will contest cases brought against DGC where we have a better than 80% chance of winning</p> | <p>We will plan for the impact of changes to law and regulations well ahead of the time they will come into force, and if necessary, take advice from external experts on what they mean for us.</p> <p>We may walk away from an opportunity rather than sign a highly disadvantageous or legally defective contract, especially if external experts confirm the potential problems that may arise.</p> |
| <p>Name: Failure to Achieve Institutional Sustainability and Financial Fraud</p> <p>Risk No: 3 and 4</p> <p>Contact: VP Corporate Services</p> | <p>We are prepared to take a higher level of managed financial risk where this supports innovation and long-term sustainability, while maintaining zero tolerance for fraud or money laundering.</p> <p>In places where finance law or regulation is open to interpretation, we may use an interpretation that</p>   | <p>We will check that our annual returns and accounts comply fully with relevant laws and regulations (e.g., SFC, ONS or HMRC).</p> <p>We will plan for the impact of changes to regulations well ahead of the time they will come into force, and if necessary, take advice from external experts on what they mean for us.</p>  |

| Risk Area  | Appetite Statement   | How Delivered  |
|--|--|--|
|  | favours our preferred course of action (based on the advice of external expertise).  | If we must decide about a financial issue where law or regulations leave areas of uncertainty, we will not automatically take the most cautious view.  |
| <p>Name: Business Continuity Incident – e.g., Fire, Failure of Emergency Procedure, Threats to Health, Systems Failure, Cyber Incidents</p> <p>Risk No: 5 and 11</p> <p>Contact: VP Corporate Services / VP LSSE</p> | <p>We are willing to accept a moderate level of risk in the event of disruption, recognising that it is not possible or cost-effective to eliminate all risks to operations. Our priority remains the safety, health, and wellbeing of staff and students, where we continue to have zero tolerance for unmanaged risk.</p> <p>We will accept some risk to operational continuity and service delivery where this enables us to be more flexible, resilient, and innovative in our approach to recovery and continuity planning. This includes embracing digital transformation, testing new approaches through live and simulated exercises, and investing selectively in risk mitigation strategies.</p> | <p>We will plan for the impact of business continuity incidents and disaster recovery but using simulated incidents as a method of flagging any vulnerabilities and rehearsing well developed business and disaster recovery planning.</p> <p>We will link in with regional and national recovery response teams to help plan and jointly manage any business continuity risks e.g., COVID-19</p> <p>We will plan for higher levels of disruption to operations in order to deliver education and services that meet members' immediate needs, especially those that would help their response to Covid-19.</p> <p>We will plan for the likelihood of any event that disrupts productivity in operations in order to ensure the safety of our staff, to be sustainable and effective as an organisation and to deliver education and services to stakeholders during crisis situations such as Covid-19.</p> |
| <p>Name: Failure to meet regulatory obligations and Climate Change targets e.g., GDPR, Health and Safety, HR</p>   | <p>Where Dumfries and Galloway College is processing personal data, other sensitive data or our operations are at risk, we are not willing to accept information security risks as any incidents involving</p>   | <p>We will ensure that the correct structures, controls, and training are in place to ensure that information security is well managed and has the attention of senior management.</p>   |

| Risk Area  | Appetite Statement  | How Delivered  |
|--|---|--|
| <p>Risk No: 6 and 12</p> <p>Contact: VP Corporate Services</p> | <p>these areas is more likely to lead to reputational damage and regulatory action.</p> <p>We are not willing to accept a risk that puts life, and the well-being of people, at risk.</p> <p>We are open to taking well-understood risks in recruitment and skills to achieve one or more of our strategic priorities.</p> <p>We may take well understood risks to operations to introduce more effective and efficient processes and systems.</p> <p>We are willing to risk higher levels of disruption and impact on productivity in operations in order to ensure that DGC achieves its chosen Net Zero target, currently set as 2030.</p> <p>We are willing to risk higher levels of disruption and impact on productivity in operations in order to ensure that DGC supports the regional and national Climate Change ambitions.</p> | <p>Through our health and safety monitoring process we will ensure that highest standards of compliance and reporting are met.</p> <p>We will also maintain an awareness of new standards, threats, and vulnerabilities, and ensure that the risks from these are managed.</p> <p>To build DGC as a more modern and efficient organisation, we are willing to accept that satisfaction may decline for some members of staff because we need to change strategies and policies, and that some staff may leave.</p> <p>We will recruit staff which bridge skills deficits to realise opportunities and introduce new talents and expertise into the business. Our recruitment will match our vision to be an inclusive employer.</p> <p>To retain talented members of staff we are willing to risk making limited one-off changes to employment policies within our framework but within legislation.</p> <p>To modernise IT system, we are willing risk temporary periods of manual work around to get to more autonomous systems.</p> |

| Risk Area   | Appetite Statement  | How Delivered   |
|---|---|---|
| <p>Name: Failure to achieving effective Industrial Relations</p> <p>Risk No: 7</p> <p>Contact: VP Corporate Services</p>                          | <p>In its management of national bargaining and through membership of the EA we will take a cautious approach to this risk in order to minimise the risks to the organisation and to its staff, particularly where these may pose a threat to our financial sustainability, or where they may create significant instability, uncertainty, or public relations damage to the college and more broadly the college sector.</p> | <p>We will run regular LJNC meetings with TU representatives and ensure that consultation on relevant matters are tables at the correct fora.</p> <p>We will engage with staff through a number of channels throughout the year to seek feedback and act accordingly.</p> <p>We will adopt a revised set of values and ensure that these are embedded into our culture</p>  |
| <p>Name: Failure to achieve highest academic performance levels</p> <p>Risk No: 8</p> <p>Contact: VP Learning, Skills, and Student Experience</p> | <p>DGC has minimal to cautious appetite for risk exposure that could result in a reduction in the academic performances of all modes of students (FT and PT).</p>   | <p>It is recognised that the College may conduct curriculum review to ensure the offer matches the market. In revision of the curriculum portfolio there may be an initial dip in</p> <p>performance prior to improvement being realised.</p> <p>We are prepared to accept that performance may be below the national sector performance as we develop enhancement processes and develop staff capacity.</p> <p>We will plan curriculum pathways and commit resource that enables study at each SCQF level and also take account of entry qualifications and also routes to employment and further study.</p> <p>We are prepared to commit resource to ensure that our teaching staff have TQFE and relevant CPD to deliver to the highest standards.</p> |

| Risk Area   | Appetite Statement   | How Delivered   |
|---|--|---|
|   |  | We are prepared to commit resource to ensure that we provide support to retain students and enable their progression.   |
| <p>Name: Failure to adherence to academic compliance arrangements</p> <p>Risk No: 9</p> <p>Contact: VP Learning, Skills, and Student Experience</p> | <p>We are averse to actions that compromise our compliance with awarding body quality arrangements which would endanger our ability to deliver qualifications.</p> <p>We have little appetite to be deemed 'unsatisfactory' by Education Scotland within the arrangements 'How good is our College.'</p> | <p>We are prepared to commit significant resource to the monitoring and minimisation of malpractice.</p> <p>We are prepared to commit significant resource to develop and implement an enhancement and improvement plan for teaching and support areas.</p>   |
| <p>Name: Failure to achieving effective student outcomes</p> <p>Risk No: 10</p> <p>Contact: VP Learning, Skills, and Student Experience</p>         | <p>We will endeavour to mitigate actions that affect the student experience by taking a cautious approach to risk.</p> <p>We are committed to the achievement of strategic goals through the strategic planning process and will ensure a "student first" approach to planning is paramount.</p>         | <p>We will ensure that decisions made put students first and we will ensure that student feedback is featured first within our governance arrangements.</p> <p>We will take decisions which enhance processes to student satisfaction and will commit resources to onboarding and to student retention and support.</p> <p>We will ensure that the Student Association is provided with resources to enable it to contribute to student life and to the life and work of the College.</p> |



| <b>Audit Committee</b>  |   |                |
|---|---|----------------|
| Agenda Item   | <b>5</b>  |                |
| Paper Number  | <b>AUD0925-5.1</b>                                      |                |
| Date of Meeting   | <b>18 September 2025</b>                                |                |
| Location  | <b>MS Teams</b>   |                |
| Title of Paper  | <b>Risk Management Policy</b>                           |                |
| Presented by  | <b>Lorraine Grierson</b>                                |                |
| <b>Recommendation</b>   | <b>Approval</b>   |                |
| <b>Freedom of Information Disclosure Assessment</b>   |   |                |
| FOI flag:   | <input type="checkbox"/> Disclosable    Non-disclosable |                |
| Reason/s for choice:  | C   |                |
| Notes from author:<br>(When will it become<br>disclosable? Has FOI<br>Officer guidance been<br>sought?) | Can be disclosed once approved by BoM                   |                |
| <b>Further comments/updates after initial submission</b>  |   |                |
| Date added  | Added by (name and role)                                | Comment/detail |
|   |   |                |

**Read Time:** 6 minutes

## 1. Recommendation

- 1.1. The Audit Committee are asked to review and approve the changes to the Risk Management Policy.

## 2. Executive Summary

- 2.1 Audit Committee Terms of Reference ask that the Committee reviews the Risk Management Policy in line with the College cycle. The following amendments have been made, and the Committee is asked to review and approve the changes.

## 3. Context

- 3.1 The report attaches the Risk Management Policy which was last reviewed in September 2024. Our insurers, Zurich and Internal Auditors RSM made 2 recommendations and in line with this, the Policy has been updated as below:
- Zurich have recommended that the definition of risk is added to the Policy – this has been added at 6.1
  - RSM have asked that the Appetite Framework is added to the Policy – the link has been added at 6.1.2
- 3.3 A further recommendation made by Audit Committee in May was to revise the narrative at section 6.1.2 Risk Appetite, to reflect current conditions.

## 4. Strategic Implications

Mission 2030.

## 5. Risk

| Risk      | Mitigations                               |
|-----------|---|
| All risks | ➤ All risk as per Strategic Risk Register |

## 6. Implications

|                       |     |   |
|-----------------------|-----|---|
| Financial             | Yes | The Policy impacts on all areas of College operations and strategy. |
| Legal                 |     |   |
| Learning and Teaching |     |   |
| Equalities            |     |   |

**Lorraine Grierson**

Governance Professional

16 May 2025



**Dumfries and  
Galloway College**

One step ahead

# RISK MANAGEMENT POLICY

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Responsibility: Governance Professional

I Issue Date: 1<sup>st</sup> September 2024

Equality Impact Assessment: 23<sup>rd</sup> May 2024

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*Version: 3*

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# Risk Management Policy

## 1. *Purpose*

The purpose of this policy and related arrangements is to:

- Outline approaches and arrangements in respect of the management, oversight, control, mitigation, evaluation and reporting of risks associated with College operations and activities;
- Ensure that significant risks are monitored and managed more closely; and
- Confirms the roles and responsibilities of the Board of Management, Executive Leadership Team and others in the effective management of risks.

## 2. *Scope*

This policy covers the management of risks related to College activities and operations.

This policy is approved by the Audit Committee of the Board of Management and will be subject to regular review by the Committee in line with College document control and review procedures.

It should be noted that this policy does not cover arrangements in respect of health and safety risk assessment, which is managed under the terms of the College Health & Safety Policy.

## 3. *References*

- Board of Management Articles and Committee Remits
- Code of Good Governance for Scotland's Colleges
- Strategic Risk Register
- Internal audit schedule and reporting 🟡 Business Continuity Plan

## 4. *Definitions*

|     |                           |
|-----|---------------------------|
| BoM | Board of Management       |
| ELT | Executive Leadership Team |

SLT      Senior Leadership Team

LJNC    Local Joint Negotiating Committee

## 5. *Responsibilities*

### 5.1      Role of the Board of Management

The Board of Management has responsibility to provide leadership within a framework of effective controls, which enable risk to be assessed and managed. The Board of Management has responsibility through the operation of the Board and each Board Committee to monitor, challenge and oversee risk management within the College as a whole.

Within these arrangements, it is the responsibility of the Board of Management to:

- Establish the overall culture and ethos in respect of risk and opportunity management within the College.
- Approve major decisions affecting the College risk profile or exposure in accordance with appropriate financial strategy and procedures and agreed delegation limits.
- Annually review the College approach to risk management, risk appetite and approve changes or improvements as necessary.
- Enable the Executive Leadership Team to discharge their duties in the management of risk.

### 5.2      Role of the Audit Committee

The Board of Management has delegated responsibility for risk management to the Audit Committee.

The Audit Committee will monitor and report to the Board on internal controls and alert Board members to any significant emerging issues. In addition, the Committee oversees internal audit, risk appetite, external audit and management as required in its review of internal controls.

The Audit Committee will report to the Board, through the Chair of Audit and the availability of Audit minutes, on the effectiveness of the internal control system, including the College system for the management of risk.

## Risk Management Policy

### 5.3 Role of the Executive Leadership Team

As the senior management group of the College, the Executive Leadership Team (Principal and VPs) have overall operational responsibility for the identification, management and mitigation of risk in line with Board objectives and risk appetite.

It is the role of the Executive Leadership Team to provide advice and guidance to the Board in respect of potential and actual risk issues and to implement appropriate risk management and internal controls on an ongoing basis. The Executive Leadership Team will also be asked to provide accurate, timely and clear information to the Board of Management and its Committees to support Board members in understanding and evaluating the status of risks and controls.

### 5.4 Role of the College Management Team

The College management team plays a crucial role in managing and escalating risks to senior management. This process ensures that potential threats to the college's objectives, operations, and reputation are identified, assessed, and addressed promptly and effectively.

Escalation would take place through the normal cycle of meetings or depending on severity direct to ELT.

## 6. *Policy*

### 6.1 Identification and Management of Risk

- Risk Definition: The effect of uncertainty on objectives, an effect being a positive or negative deviation from what is expected (ISO31000 – Risk Management).

The development of effective risk management arrangements is essential to control and manage the risks that may otherwise threaten the ability of the College to meet its objectives.

Risk management is bound inextricably within the system of internal control that operates across the College. This system encompasses a number of elements that together ensure that effective and efficient outcomes are achieved, allowing the College to respond to strategic and operational risks. These elements include the following:

### 6.2 Strategic Risk Framework

High-level strategic risks are outlined with a clear risk register. These risks are discussed and approved by the full Board of Management and detailed analysis of the regional operating context for the College.

The Executive Leadership Team –

- Will undertake the ongoing monitoring mitigation of risks significant to the College.
- Ensure the strategic risk register is formally reviewed and if necessary updated and presented to SLT (Vice Principals, Governance Professional, and Directors), the Board of Management and BoM Audit Committee.
- Will ensure risks are assigned to a member of the College ELT.
- The risk appetite is reviewed annually by the College ELT and presented to the Audit Committee and Board.

The Senior Leadership Team will ensure –

- Their direct reports update on any risks or input on new risks identified with College operations.

Risks are managed based on a series of risk factors determined by assessment of the likelihood multiplied by the impact of each specific risk –

| Score  |   | Impact  | Likelihood  |
|--|---|---|---|
| <b>1-8</b><br><b>Acceptable level of risk subject to periodic review.</b>  | <b>Minor:</b><br>Risks which should be monitored by the Risk Management Group           | The risk may cause slight disruption or impact on the College's operations, objectives, reputation, stakeholders or financial sustainability.                   | Unlikely: the likelihood of the risk occurring is unlikely but still possible. It is estimated that the risk has a 6-25% chance of happening. |
| <b>9-15</b><br><b>Moderate level of risk subject to regular monitoring and mitigating actions and plans being in place</b> | <b>Moderate:</b><br>Risks to be brought to the attention of SLT and Board of Management | Moderate: the risk has a noticeable impact or disruption, affecting the College's operations, objectives, reputation, stakeholders or financial sustainability. | Possible: the likelihood of the risk occurring is reasonable. It would be estimated that the risk has a 26-50% chance of happening.           |



## Risk Management Policy

|   |  |   |   |
|---|--|---|---|
|   |  |   |   |
| <b>16–20</b><br><b>Unacceptable level of risk requiring immediate actions and plans to prevent or mitigate.</b> | <b>Major:</b><br>Risks to be reported to, and monitored by, BoM    | Major: the risk has a substantial impact on the College's operations, objectives, reputation, stakeholders or financial sustainability. | Likely: the likelihood of the risk occurring is probable. It would be estimated that the risk has a 51–75% chance of happening.                     |
| <b>21–25</b><br><b>Critical level of risk requiring urgent attention and actions to prevent or mitigate.</b>    | <b>Critical:</b><br>Risks to be reported to, and monitored by, BoM | Critical: the risk is a severe threat to the College's operations, objectives, reputation, stakeholders or financial sustainability.    | Almost Certain: the likelihood of the risk occurring is highly likely. It would be estimated that the risk has more than a 75% chance of happening. |

|        |            |    |    |    |    |
|--------|------------|----|----|----|----|
|        | 5          | 10 | 15 | 20 | 25 |
| Impact | 4          | 8  | 12 | 16 | 20 |
|        | 3          | 6  | 9  | 12 | 15 |
|        | 2          | 4  | 6  | 8  | 10 |
|        | 1          | 2  | 3  | 4  | 5  |
|        | Likelihood |    |    |    |    |

Each risk factor is colour coded based on their severity. Each risk uses 3 lines of defence as a risk management framework to manage and mitigate risks effectively. It provides a structured approach to ensure that risk management responsibilities are clearly defined across the College.

The first line of defence covers our front-line employees and operational managers who directly manage and own the risks associated with their day-to-day activities. The second line of defense consists of specialized risk management, compliance, and control functions with the College. Their role is to oversee and support the first line by providing guidance, setting policies and standards, and monitoring compliance with these policies. The third line provides an objective and independent assessment of effectiveness.

Each risk is assessed and categorised prior to the actions taken to manage the risk and again following assessment of the mitigating actions in place.

## Risk Management Policy

A register will be maintained by the Governance Professional identifying the ownership at each line of defence, this is the College's risk framework. This framework shows where discussion and reportage of risk cascades through the operations of the College.

### 6.3 Risk Appetite Framework

In the dynamic landscape the College operates in we face a myriad of challenges and opportunities. To effectively navigate these uncertainties the College applies the Risk Appetite Framework (RAF) to manage risks and set boundaries.

The RAF provides a structured framework for the College to identify, evaluate, and articulate the types and levels of risk it is willing to accept in pursuit of its objectives. It goes beyond simply defining tolerance by embedding a shared understanding of risk across the College, ensuring that risk is considered consistently in planning, decision-making, and resource allocation. In this way, the RAF expresses the College's overall philosophy towards risk, balancing innovation and opportunity with accountability and control, and aligning risk management practices with strategic goals and long-term sustainability.

The Risk Appetite Framework is reviewed annually by the Executive and presented to the Audit Committee and to the Board of Management for discussion and scrutiny. The framework can be accessed [here](#).

### 6.4 Quality Management System

The College operates a documented quality management system on the College intranet. This system provides a clear structure of policies, procedures, quality processes and other documentation that underpin the control and review of key College processes and their related risks.

All sections of the quality management system are approved at SLT, consulted on a LJNC where appropriate, with reference to the Board of Management where appropriate.

### 6.5 Determination and Management of Project-based Risks

Approval of all capital and revenue projects where College contribution is in excess of £250k in value will include the requirement to create and manage specific risk register in relation to the project or activity. This determination and rating of risk must include the following:

## Risk Management Policy

- Risks impacting on project/College objectives
- Significant financial and other operational risks
- Reputational or other risks

Project based risk registers may be necessary in other circumstances where the nature of the project or the level of non-financial risk involved warrants this.

### 6.6 Risk escalation

The management team conducts regular risk reviews to identify potential risks across various areas of operation such as finance, health and safety, compliance, and academic performance. College operational plans detail key risks to operations. This identification of risk is kept under review within operational plans, in line with each department's defined series of meetings.

This enables identification of any risks and cascading them to the relevant member of SLT.

In addition to departmental meetings there is a regular review by Finance and senior Curriculum staff that enables discussion of risk to operations. Where risk is identified, this is escalated to the relevant member of ELT.

In each of the College risk there is identification of 3 lines of defence. In the first line of defence operational managers consider risk as part of their departmental meetings and escalate any risk to operations to their relevant SLT member. The College in the second line of defence defines specific reports that are presented at SLT or committee. These reports identify risk to senior staff which enable discussion and for appropriate mitigations to be put in place.

For urgent or high-impact risks, there should be immediate escalation to a member of ELT.

### 6.7 Internal Audit Arrangements

The Board of Management Audit Committee determines and approves a rolling annual schedule of internal audit activities designed to check and test internal control and risk management arrangements. Analysis and feedback in respect of risk and control issues is used to inform development and prioritisation of this schedule. The schedule includes the internal audit review of risk management approaches, arrangements and effectiveness.

### 6.8 External Audit Arrangements

External audit provides feedback to the Audit Committee on the operation of the internal controls reviewed as part of the annual audit requirements specified by the Scottish Government and Scottish Funding Council.

### 6.9 Annual Report Arrangements

The Board of Management is responsible for reviewing annually the effectiveness of risk management arrangements and outcomes, based on information provided by the independent auditors (internal and external) and the Executive Leadership Team.

To inform this, the Audit Committee will consider annually a report produced by the internal auditors that summarises the outcomes of audit activities and provides a clear opinion in respect of the robustness of the internal controls in place and any other significant factors found.

### 6.10 Business Continuity Planning and Disaster Recovery

The College maintains a business continuity plan providing a framework within which serious incidents or other significant events that may impact on business continuity are managed.

Disaster recovery arrangements are in place in respect of all major ICT systems operated by the College.

### 6.11 New and Emerging Risk

SLT will determine any new and emerging risks and recommend to the Audit committee and Board whether to add them to the framework in line with the normal cycle of Board and Committee meetings.

New or emerging risks may arise from (but not exclusively from) –

- Internal or external audits
- Stakeholder feedback
- Horizon scans
- Regulation or compliance updates

An emerging risk register will be maintained by the Governance Professional which will form a standing agenda item at SLT and Audit Committee.

### 6.12 Summary of roles and responsibilities

| Responsibility                                       | When                                   | Role  |
|--|--|---|
| Board of Management                                  | Annually as per Board cycle            | Review risk and risk appetite.  |
| Audit Committee of the Board                         | At each meeting in the Committee cycle | Monitor internal controls, alert Board to emerging issues oversee internal audit, risk appetite and external audit.                                   |
| Executive Leadership Team and Senior Leadership Team | Review risk monthly                    | Responsible for identification, management, and mitigation of risks.  |
| College Management Team (all college managers)       | Monthly                                | Identify risk, assess risk and manage risk as part of monthly meetings with Finance.<br><br><b>In the case of severe risk escalate direct to ELT.</b> |

### 6.13 Implementation

To support implementation of this policy all staff with responsibilities under the terms of the policy will receive appropriate guidance, support and training in relation to these responsibilities.

## 7. *Review Details*

|                              |   |
|------------------------------|---|
| Next review scheduled for:   | 01 September 2025                         |
| Responsibility for Review:   | College Executive and BoM Audit Committee |
| Union Consultation Required: | No  |

## 8. *Distribution*

All Staff Repository

9. *Revision Log*

| Revision Log |                       |   |
|--------------|-----------------------|---|
| Date         | Section               | Description   |
| 31.03.22     | Throughout the Policy | Amendment to Job Title – Vice Principal Business Development and Corporate Services to Director of Estates and Sustainability |
| 31.03.22     | Distribution          | Quality Manual changed to Repository  |
| 24.08.23     | Appendix 1            | Equality Impact Assessment added as Appendix 1 as per revised Document Control Procedure                                      |
| 11.09.23     | Throughout the Policy | Review of current processes and updating around the 3 lines of defence.   |
| 22.05.24     | Throughout the Policy | Addition of sections 4.4, 5.5, 5,10   |
| 22.05.24     | Section 5.1           | Addition to note the risk management framework held by the Board Secretary.   |
| 1.07.24      | Section 5.11          | Identify roles and responsibilities within the risk framework.  |
| 30.04.25     | Section 6             | Risk definition added to 6.1<br>Link to Appetite Framework added to 6.1.2   |
| 3/7/25       | Section 6             | Risk Score chart added at 6.1.1.<br>Risk appetite framework content updated at 6.1.2  |

| THIS FORM TO BE UPDATED WHENEVER THERE IS A CHANGE IN ANY SYSTEM DOCUMENT |                                   |                 |                |                  |
|---|-----------------------------------|-----------------|----------------|------------------|
| Document Name   | Document Owner                    | Revision Number | Date of Issue  | Date of Withdraw |
| Risk Management Policy  | Vice Principal Business           | 1               | 19.02.2019     |                  |
|   | Development and Corporate Service |                 |                |                  |
| Risk Management Policy  | College Executive                 | 2               | September 2023 |                  |
| Risk Management Policy  | College Executive                 | 3               | September 2024 |                  |





## DUMFRIES AND GALLOWAY COLLEGE

Annual internal audit report

Year ended: 31 July 2025

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

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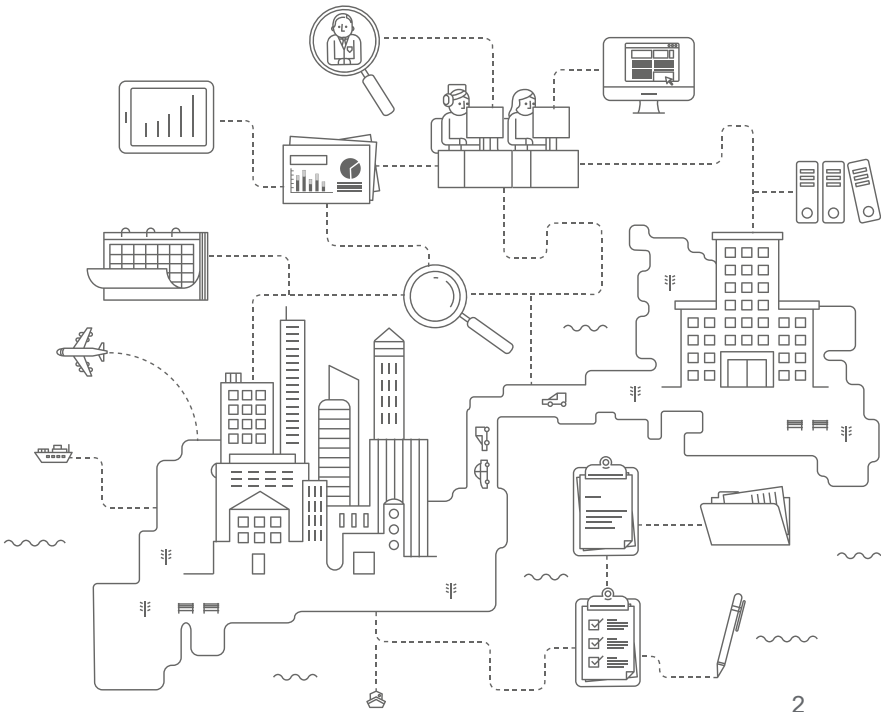
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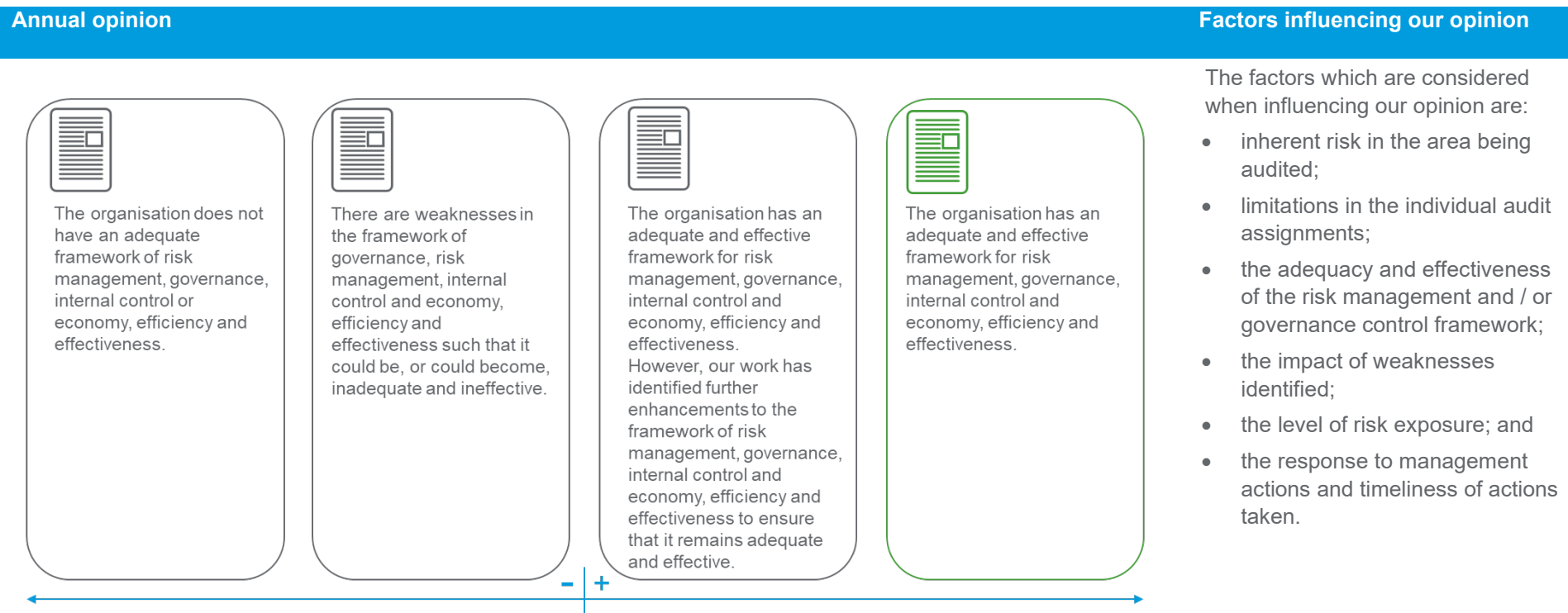
For further information contact ..... 15





# THE ANNUAL INTERNAL AUDIT OPINION

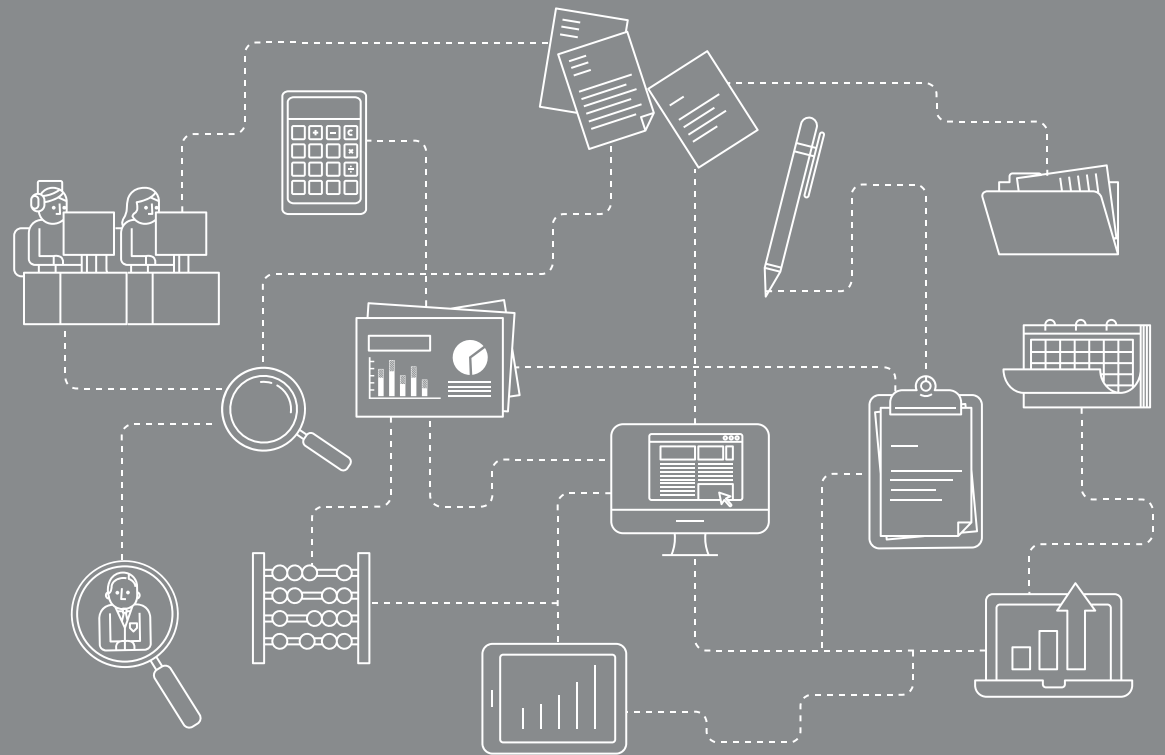
The annual internal audit opinion is based upon, and limited to, the work performed on the overall adequacy and effectiveness of the College's risk management, control and governance processes. For the 12 months ending 31 July 2025 the Head of Internal Audit opinion for Dumfries and Galloway College is:



It remains management's responsibility to develop and maintain a sound system of risk management, internal control, governance, and for the prevention and detection of errors, loss or fraud. The work of internal audit is not and should not be seen as a substitute for management responsibility around the design and effective operation of these systems.

# Scope and Limitations

01



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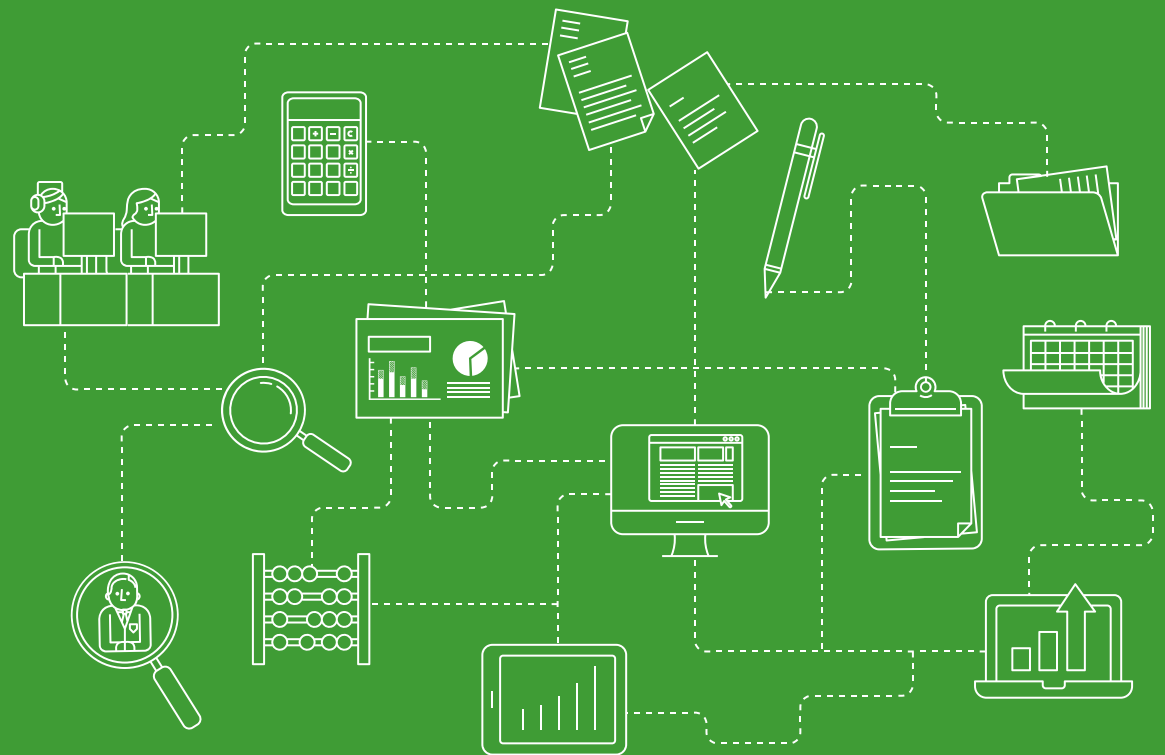
# 1 SCOPE AND LIMITATIONS OF OUR WORK

The formation of our draft opinion is achieved through a risk-based plan of work, agreed with management and approved by the Audit Committee, our opinion is subject to inherent limitations, as detailed below.



- Internal audit has not reviewed all risks and assurances relating to the College.
- The opinion is substantially derived from the conduct of risk-based plans generated from a robust and College-led assurance framework. The assurance framework is one component that the Board of Management takes into account in making its annual governance statement (AGS).
- The opinion is based on the findings and conclusions of the agreed work which was limited to the area under review and agreed with management.
- Where strong levels of control have been identified, there are still instances where these may not always be effective. This may be due to human error, incorrect management judgement, management override, controls being by-passed or a reduction in compliance.
- Due to the limited scope of our audits, there may be weaknesses in the control system which we are not aware of, or which were not brought to our attention.
- The opinion is based on the testing we have undertaken, which was limited the area being audited, as detailed in the agreed audit report.
- It remains management's responsibility to develop and maintain a sound system of risk management, internal control and governance, and for the prevention and detection of errors, loss or fraud. The work of internal audit is not and should not be seen as a substitute for management responsibility around the design and effective operation of these systems.
- The matters highlighted in this report represent only the issues we encountered during our work. It is not an exhaustive list of all weaknesses or potential improvements. Management remains responsible for maintaining a robust system of internal controls, and our work should not be the sole basis for identifying all strengths and weaknesses.
- This report is prepared solely for the use of the Audit Committee, Board of Management, and Senior Management of Dumfries and Galloway College.

# 02



## 2 FACTORS AND FINDINGS WHICH HAVE INFORMED OUR OPINION

A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix B.

| Theme – Governance  | Theme – Risk Management   | Theme – Internal Control   |
|---|---|--|
| <p>We have taken into consideration the governance and oversight related elements of each of the reviews undertaken as part of the 2024/25 internal audit plan.</p> <p>A Board / Committee Induction audit was undertaken as part of the 2024/25 internal audit plan, resulting in a substantial assurance opinion and no management actions being identified.</p> <p>There is a sound governance framework in place, and we observed that the Audit Committee is effective in monitoring and challenging management and holding them to account.</p> | <p>Risk management is reviewed at the Audit Committee. We have attended all Audit Committee meetings throughout the year and confirmed the College's risk management arrangements continued to operate effectively in this forum.</p> <p>Our risk management opinion is informed by our observation of risk management systems and processes throughout the course of all audits within the internal audit plan. Specific audits linked to the College's risks included:</p> <ul style="list-style-type: none"><li>• Safeguarding – <i>Risk 6: Failure to meet regulatory obligations</i></li><li>• Curriculum Planning – <i>Risk 8: Failure to achieve highest academic performance</i></li><li>• Health and Safety – <i>Risk 12: Health and safety compliance</i></li></ul> | <p>We undertook six internal audit reviews which resulted in an assurance opinion in 2024/25. From five reviews (83%) we concluded that substantial assurance could be taken, and one review (17%) reasonable assurance could be taken in relation to the design and application of the control frameworks in place.</p> <p>During the year we agreed a total of nine management actions across assurance and follow up reviews. Of the actions agreed: six (67%) were 'low' priority and three (33%) were 'medium' priority. We also identified 1 advisory recommendation. We did not agree any 'high' priority actions.</p> <p>Furthermore, the implementation of management actions agreed during the course of the year are an important contributing factor when assessing the overall opinion on control. We have performed one follow-up review during the year which concluded in a positive opinion (good progress) and confirmed 28 out of 30 actions being marked as implemented. The remaining two actions were marked as partly though not fully implemented.</p> |

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As well as the headline findings discussed above, the following areas have helped to inform our opinion. A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix A.



### Acceptance of internal audit management actions

Management have agreed actions to address all of the findings reported by the internal audit service during 2024/25.



### Implementation of internal audit management actions

Where actions have been agreed by management, these have been monitored by management through the action tracking process in place. During the year progress has been reported to the Audit Committee, with the validation of the action status confirmed by internal audit on one specific follow up.

#### Follow up

Our follow up of the actions agreed to address previous years' internal audit findings shows that the College have made **good progress** in implementing the agreed actions. Of the 30 actions followed up (10 medium, 20 low priority), 28 were confirmed to have been implemented, with the remaining two (both originally medium priority) marked as partly though not fully implemented and priorities reduced to low.



### Working with other assurance providers

In forming our opinion we have not placed any direct reliance on other assurance providers.



### Topics judged relevant for consideration as part of the annual governance statement

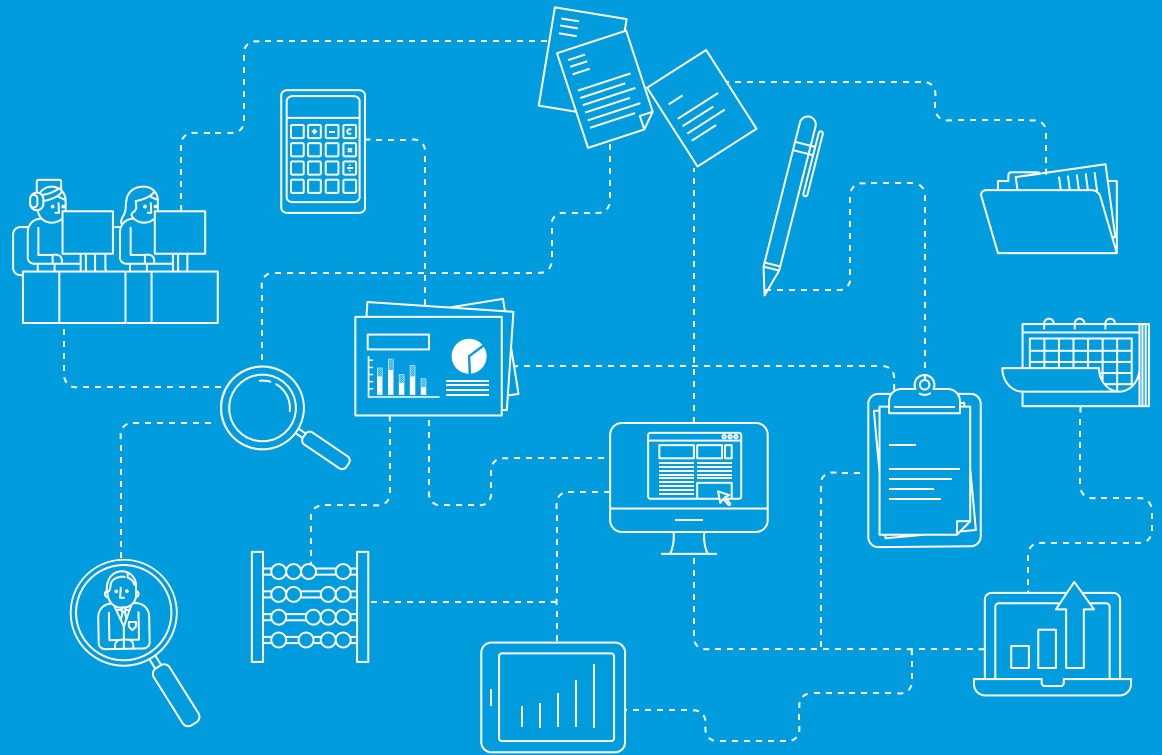
Colleges are required to include a Statement of Corporate Governance and Internal Control within their financial statements. As your internal audit provider, the assignment opinions and advisory reviews that we undertake and report on during the year are part of the framework of assurances that assist the Board of Management (through the Audit Committee) to prepare an informed statement and provide the opinions required.

There are no specific topics or findings that we feel require consideration as part of the annual governance statement.

Our overall opinion may be used by the Board of Management in the preparation of the 2025 Statement.

# Our Performance

# 03



### 3.1 Wider value adding delivery

| Area of work                      | How has this added value?   |
|-----------------------------------|---|
| Sector briefings and articles     | <p>We have issued a number of sector briefings during the year providing information on key developments, publications and guidance including:</p> <ul style="list-style-type: none"><li>• Further Education Funding Briefing;</li><li>• Higher Education News Briefing;</li><li>• Education Edit Newsletter; and</li><li>• Further Education Benchmarking Report covering the full 2023/24 academic year.</li></ul> <p>We have also published commentary on the education sector on our website and have been a contributor to FE news articles.</p> |
| Webinar invitations               | <p>We have issued a webinar invitation for management to have the opportunity to attend a Managing Fraud and AI in Education Webinar, to enhance their knowledge of the specific area where updates are prominent.</p>  |
| Flexible annual planning approach | <p>We have remained flexible with our annual planning approach. This enables us to react to changes in priority and risk, to ensure internal audit is focused in the right areas at the right time, to be the best source of assurance where needed in specific areas of risk or control.</p>   |
| 1:1 meetings / discussions        | <p>Throughout the year we have continued to liaise with management and held operational meetings to obtain and update on College developments.</p>  |

### 3.2 Conflicts of interest

During 2024/25, RSM have provided additional reviews for the College, one in relation tax compliance, and one in relation to employment law. Both reviews were conducted by different teams within RSM to the Internal Audit Team and therefore we do not perceive this to be a conflict of interest.

Internal audit remains independent and there have been no threats to our independence when delivering the audit plan during 2024/25.

### 3.3 Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Global Internal Audit Standards, the wider International Professional Practices Framework (IPPF), and the Internal Audit Code of Practice as published by the Global Institute of Internal Auditors (IIA) and the Chartered IIA. Our next external quality assessment (EQA) will take place in 2026.

Under the Standards, internal audit services are required to have an EQA every five years. The RSM UK Risk Assurance service line commissioned an external independent review of our internal audit services in 2021, to provide assurance as to whether our approach continues to meet the requirements.



The external review concluded that RSM 'generally conforms\*' to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

\* The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

### 3.4 Quality assurance and continual improvement

To ensure that RSM remains compliant with the Global Internal Audit Standards and the IPPF, we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews are used to inform the training needs of our audit teams.

As part of the Quality Assessment and Improvement Programme, none of your files were selected for Internal Quality Monitoring programme during 2024/25. From results of the reviews undertaken across our client base, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

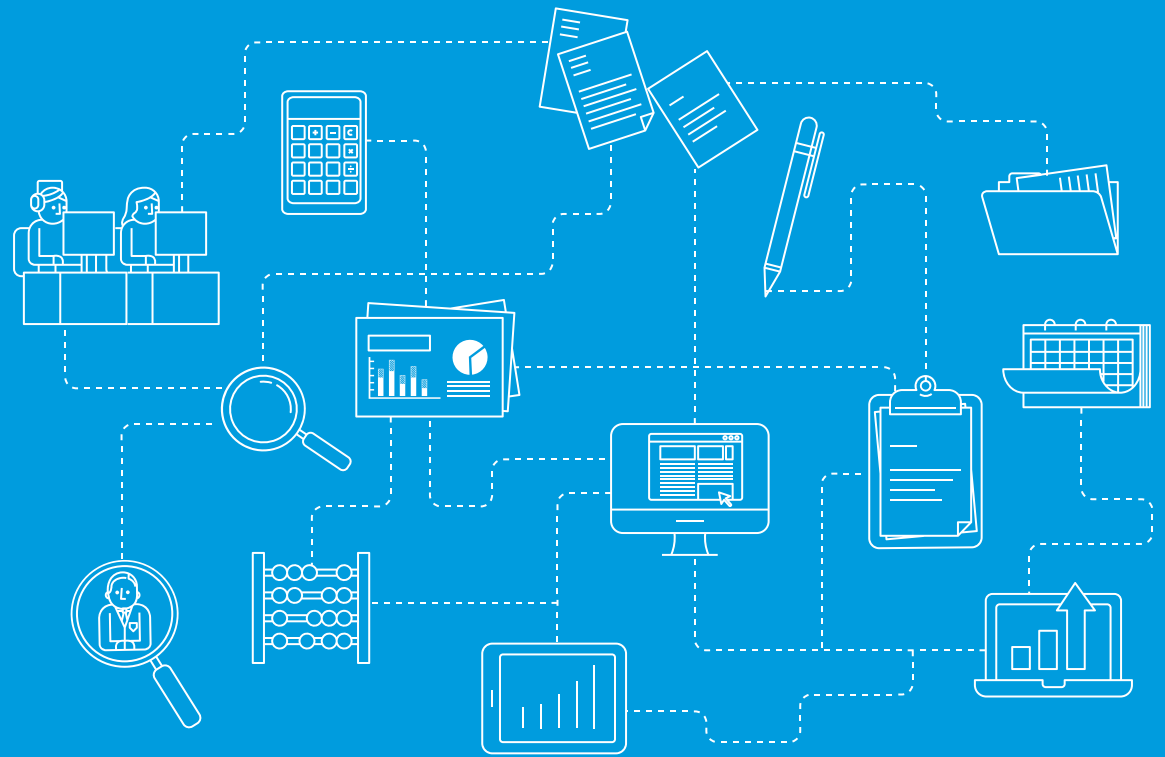
In addition to this, any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments is also taken into consideration to continually improve the service we provide and inform any training requirements.

### 3.5 Performance indicators

|  | Delivery        |                         |  | Quality        |                          |
|--|-----------------|-------------------------|--|----------------|--------------------------|
|  | Target          | Actual                  |  | Target         | Actual                   |
| Audits commenced in line with original timescales*           | Yes             | Yes                     | Conformance with IPPF  | Yes            | Yes                      |
| Draft reports issued within 10 days of debrief meeting       | 10 working days | 5 days (average)        | Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit | Yes            | Yes                      |
| Management responses received within 10 days of draft report | 10 working days | 10.6 days (average)     | Response time for all general enquiries for assistance   | 2 working days | 2 working days (average) |
| Final report issued within 3 days of management response     | 3 working days  | 1 working day (average) | Response for emergencies and potential fraud   | 1 working day  | N/A                      |

# Appendices

## 04



## APPENDIX A: SUMMARY OF INTERNAL AUDIT WORK COMPLETED

All of the assurance levels and outcomes provided below should be considered in the context of the scope, and the limitation of scope, set out in the individual assignment report.

| Assignment                   | Lead  | Status / Opinion issued | Actions agreed |   |   |   |
|------------------------------|---|-------------------------|----------------|---|---|---|
|                              |   |                         | A              | L | M | H |
| Curriculum Planning          | Executive Director of Student Experience and Academic Performance | Substantial Assurance   | 0              | 0 | 0 | 0 |
| Health and Safety            | Director of Estates and Sustainability                            | Substantial Assurance   | 0              | 1 | 0 | 0 |
| Safeguarding                 | Executive Director of Student Experience and Academic Performance | Substantial Assurance   | 0              | 1 | 2 | 0 |
| FES Return                   | Student Records Manager   | Reasonable Assurance    | 1              | 1 | 1 | 0 |
| Student Support Fund         | Student Records Manager   | Advisory Review         | 0              | 0 | 0 | 0 |
| Board / Committee Inductions | Executive Director of Finance and Planning                        | Substantial Assurance   | 0              | 0 | 0 | 0 |
| Payroll                      | Executive Director of Finance and Planning                        | Substantial Assurance   | 0              | 1 | 0 | 0 |
| Follow Up                    | Executive Director of Finance and Planning                        | Good progress           | 0              | 2 | 0 | 0 |

## APPENDIX B: OPINION CLASSIFICATION

We use the following levels of opinion classification within our internal audit reports, reflecting the level of assurance the board can take:



### Minimal Assurance

Taking account of the issues identified, the board cannot take assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Urgent action is needed to strengthen the control framework to manage the identified risk(s).



### Partial Assurance

Taking account of the issues identified, the board can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).



### Reasonable Assurance

Taking account of the issues identified, the board can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



### Substantial Assurance

Taking account of the issues identified, the board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

- | +

## FOR FURTHER INFORMATION CONTACT

**Rob Barnett, Head of Internal Audit**

Email: [Robert.Barnett@rsmuk.com](mailto:Robert.Barnett@rsmuk.com)

**Anastasia Mullen, Associate Director**

Email: [Anastasia.Mullen@rsmuk.com](mailto:Anastasia.Mullen@rsmuk.com)

### **rsmuk.com**

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Dumfries and Galloway College, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM UK Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.



# DUMFRIES AND GALLOWAY COLLEGE

## Internal Audit Progress Report

18 September 2025

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.



# CONTENTS

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1. Final reports ..... 5

**Appendices**

Appendix A: Progress against the internal audit plan 2024/25 ..... 7

Appendix B: Other matters ..... 8

Appendix C: Key performance indicators ..... 9

## KEY MESSAGES

The internal audit plan for 2024/25 was approved by the Audit Committee at the 4 June 2024 meeting. This report provides an update on progress against the plan and summarises the results of our work to date.



### Internal audit plan 2024/25

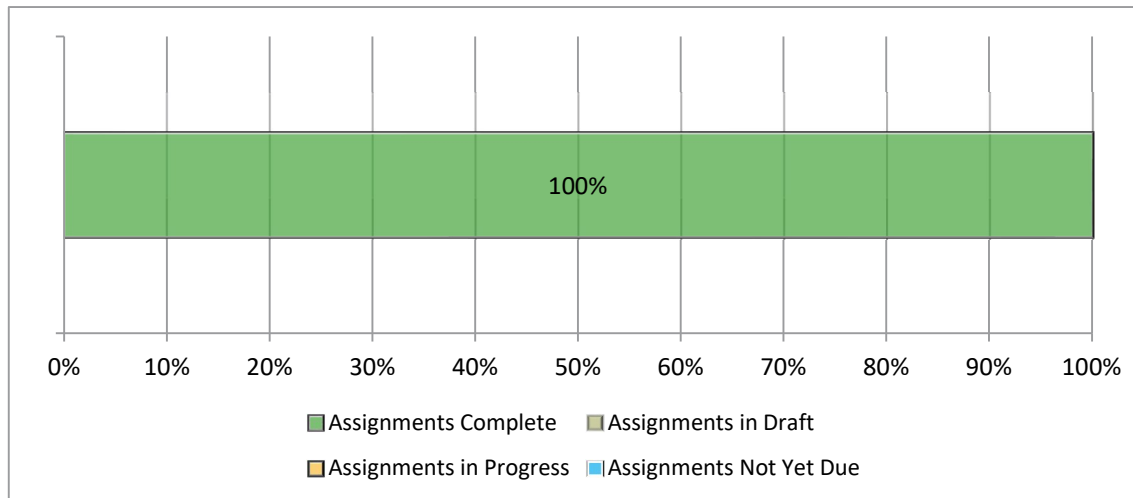
We have issued two final reports as part of the internal audit plan since the Audit Committee meeting in May 2025:

- Safeguarding
- Follow Up

A summary of the outcome of these reviews is provided in Section 1. [\[To discuss and note\]](#)

We have completed all audits within the 2024/25 Internal Audit Plan. [\[To note\]](#)

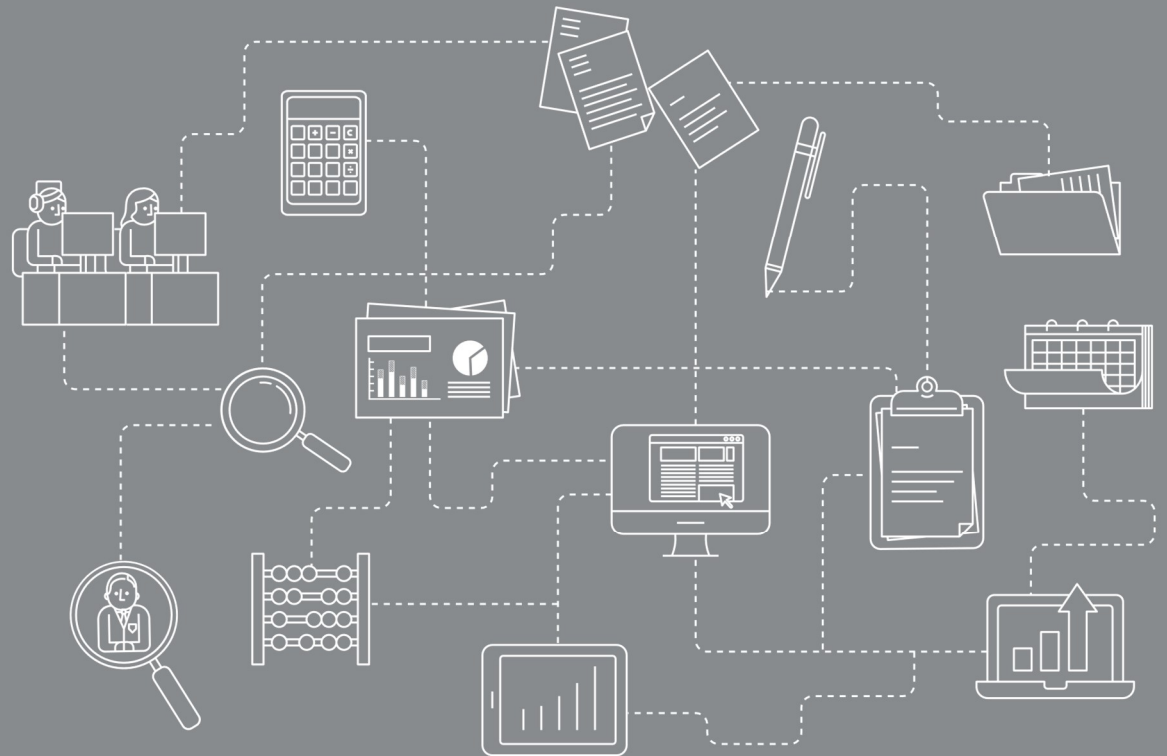
The graph below provides a summary update on progress against the 2024/25 plan. [\[To note\]](#)





# Final Reports

# 01



# 1. FINAL REPORTS

## 1.1 Summary of final reports being presented to this Committee

This section summarises the reports that have been finalised since the last meeting.

| Assignment  | Opinion issued | Actions agreed |   |   |   |
|---|----------------|----------------|---|---|---|
|   |                | A              | L | M | H |
| <b>Safeguarding (7.24/25)</b>   |                |                |   |   |   |
| <u>Objective:</u>   |                |                |   |   |   |
| The College has policies and processes in place to ensure that it complies with the National Guidance for Child Protection in Scotland 2023 and the Adult Support and Protection (Scotland) Act 2007.   |                |                |   |   |   |
| <u>Conclusion:</u>  |                |                |   |   |   |
| We found that the College has a control framework in place which is consistently complied with in relation to safeguarding. There is an up to date Safeguarding Policy and Procedures in place, and also safeguarding trend monitoring and reporting processes in place. However, we identified <b>one medium</b> and <b>one low</b> priority actions relating to Board member safeguarding training and recording of lessons learnt for safeguarding cases.  |                |                |   |   |   |
| <b>Substantial Assurance</b>  |                | 0              | 1 | 1 | 0 |
| <b>Follow Up (8.24/25)</b>  |                |                |   |   |   |
| <u>Objective:</u>   |                |                |   |   |   |
| To meet internal auditing standards and to provide management with on-going assurance regarding implementation of management actions / recommendations.   |                |                |   |   |   |
| <u>Conclusion:</u>  |                |                |   |   |   |
| Our review found that the College has demonstrated good progress in implementing agreed management actions. Testing identified that the College has implemented 28 of 30 management actions, comprised of 10 medium priority and 18 low priority actions. For two medium priority actions, our testing identified that the College had initiated progress on the implementation of these actions, although further work was required to ensure these are fully implemented. Where appropriate, we have lowered the management action priority to reflect progress made. |                |                |   |   |   |
| <b>Substantial Assurance</b>  |                | 0              | 2 | 0 | 0 |

## 1.2 Themes arising from control observations

We do not have any concerns in respect of themes arising to raise with the Committee at this stage.

# Appendices

## 02



## APPENDIX A: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2024/25

| Assignment  | Status / Opinion issued | Actions agreed |   |   | Target Audit Committee (as per IA plan 4 June 2024 / change control*) | Actual Audit Committee |
|---|-------------------------|----------------|---|---|---|------------------------|
|   |                         | L              | M | H |   |                        |
| Student Support Fund                                    | Substantial Assurance   | 0              | 0 | 0 | November 2024   | November 2024          |
| FES Return  | Reasonable Assurance    | 1              | 1 | 0 | November 2024   | November 2024          |
| Board / Committee Inductions                            | Substantial Assurance   | 0              | 0 | 0 | May 2025  | March 2025             |
| Curriculum Planning                                     | Substantial Assurance   | 0              | 0 | 0 | May 2025  | May 2025               |
| Payroll   | Substantial Assurance   | 1              | 0 | 0 | May 2025  | May 2025               |
| Health and Safety                                       | Substantial Assurance   | 1              | 0 | 0 | May 2025  | May 2025               |
| Safeguarding  | Substantial Assurance   | 1              | 2 | 0 | September 2025  | September 2025         |
| Follow Up of Previous Internal Audit Management Actions | Good progress           | 2              | 0 | 0 | September 2025  | September 2025         |

# APPENDIX B: OTHER MATTERS

## Detailed below are the changes to the audit plan

There have been no changes to the plan since the last Audit Committee.

## Quality assurance and continual improvement

To ensure that RSM remains compliant with the Internal Audit Standards we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews are used to inform the training needs of our audit teams.

As part of the Quality Assessment and Improvement Programme, none of your files were selected for Internal Quality Monitoring programme during 2024/25. From the results of the reviews undertaken across our client base, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

In addition to this, any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments is also taken into consideration to continually improve the service we provide and inform any training requirements.

## Post assignment surveys

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Following the completion of each product, we include a link to a brief survey in each report we issue.

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Currently, following the completion of each product we deliver we attached a brief survey for the client lead to complete. We would like to give you the opportunity to consider how frequently you receive these feedback requests; and whether the current format works. Options available are:

- After each review (current option).
- Monthly / quarterly / annual feedback request.
- Executive lead only, or executive lead and key team members.

## Other assurance activity:

| Note | Activity   | Overview of output  |
|------|--|---|
| 1    | Further Education – Emerging Issues<br>Spring 2025 | This edition of our emerging issues covers several different areas, including the College Accounts Direction, Higher Education (HE) Franchising and Artificial Intelligence (AI) in Education. It also features our most recent analysis of emerging risks affecting colleges and insights in the recent changes in Apprenticeship funding. |

## APPENDIX C: KEY PERFORMANCE INDICATORS

|  | Delivery |                     |       |  | Quality        |        |       |
|--|----------|---------------------|-------|--|----------------|--------|-------|
|  | Target   | Actual              | Notes |  | Target         | Actual | Notes |
| Audits commenced in line with original timescales*           | Yes      | Yes                 |       | Conformance with IIA Standards   | Yes            | Yes    |       |
| Draft reports issued within 10 days of debrief meeting       | 10 days  | 5 days (average)    |       | Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit | Yes            | Yes    |       |
| Management responses received within 10 days of draft report | 10 days  | 10.6 days (average) | *     | Response time for all general enquiries for assistance   | 2 working days | 2 days |       |
| Final report issued within 3 days of management response     | 3 days   | Same day            |       | Response for emergencies and potential fraud   | 1 working day  | 1 day  |       |

### Notes

This takes into account changes agreed by management and Audit Committee during the year. Through employing an agile or a flexible approach to our service delivery we are able to respond to your assurance needs.

\* Management responses received in respect of the Student Support Fund and FES Return draft reports at 31 and 28 working days respectively.

# FOR FURTHER INFORMATION CONTACT

**Rob Barnett, Head of Internal Audit**

Email: [Robert.Barnett@rsmuk.com](mailto:Robert.Barnett@rsmuk.com)

## **rsmuk.com**

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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## OUTCOME OVERVIEW

### Background:

We have undertaken a review to follow up on progress made to implement the previously agreed management actions from the following audits:

- Further Education Statistical (FES) Return (1.23/24)
- Financial Planning / Budget Monitoring (3.23/24)
- GDPR (4.23/24)
- Risk Management (5.23/24)
- Awarding Body Activity (6.23/24)
- Student Onboarding (8.23.24)
- Follow Up (9.23/24)

### Headline findings:

Taking account of the issues identified in the remainder of the report and in line with our definitions set out in Appendix A, in our opinion Dumfries and Galloway College has demonstrated **good progress** in implementing agreed management actions.

Testing identified that the college has implemented 28 of 30 management actions, comprised of 10 medium priority and 18 low priority actions. For two medium priority actions, our testing identified that the college had initiated progress on the implementation of these actions, although further work was required to ensure these are fully implemented. Where appropriate, we have lowered the management action priority to reflect progress made.





## DUMFRIES AND GALLOWAY COLLEGE

### Follow Up

FINAL Internal Audit Report:8.24/25

5 August 2025

This report is solely for the use of the persons to whom it is addressed.

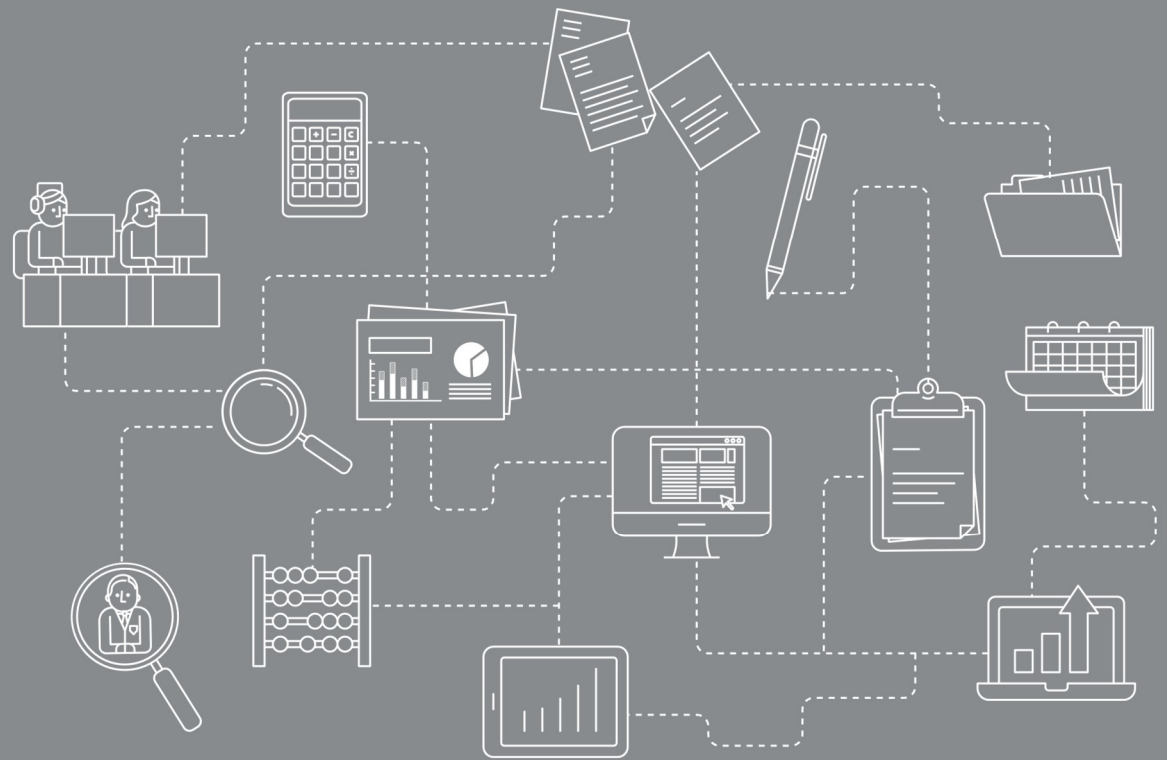
To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

**THE POWER OF BEING UNDERSTOOD**  
AUDIT | TAX | CONSULTING



# Progress on Actions

01



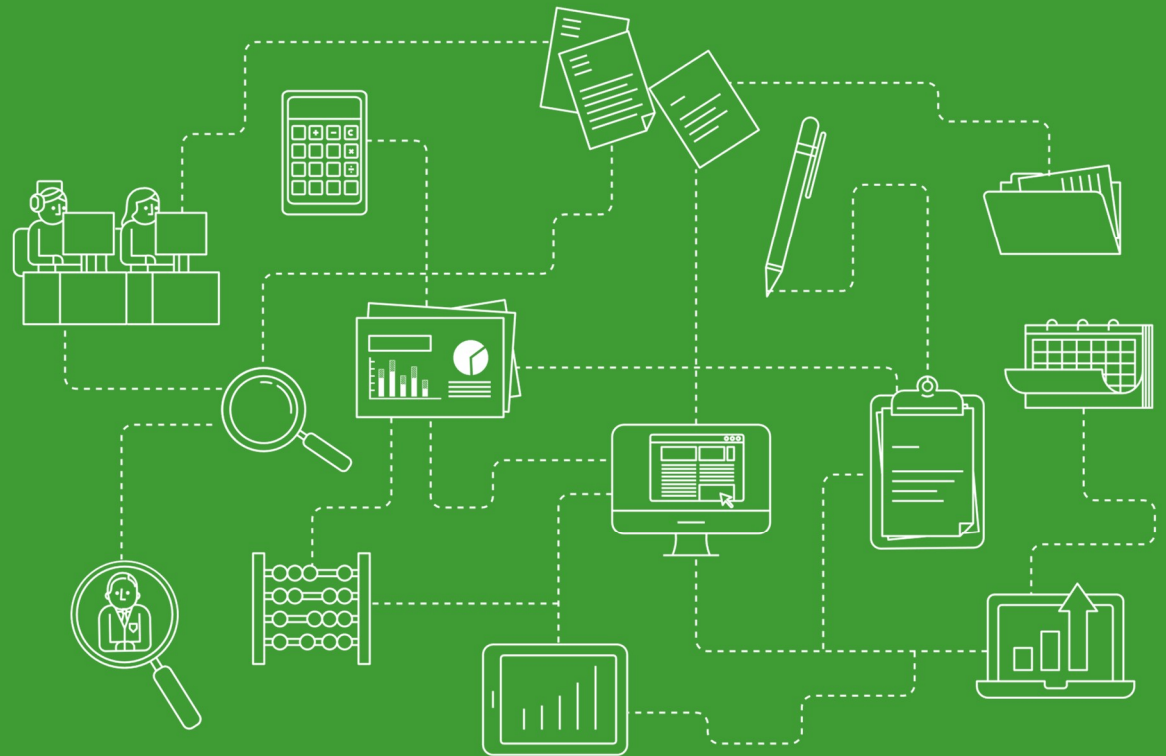
## SUMMARY OF PROGRESS ON ACTIONS

The following table includes details of the status of each management action:

| Implementation status by review                      | Number of actions agreed | Implemented (1) | Implementation ongoing (2) | Not implemented (3) | Superseded (4) | Confirmation as completed or no longer necessary (1)+(4) |
|--|--------------------------|-----------------|----------------------------|---------------------|----------------|--|
| Further Education Statistical (FES) Return (1.23/24) | 2                        | 1               | 1                          | 0                   | 0              | 1  |
| Financial Planning / Budget Monitoring (3.23/24)     | 4                        | 4               | 0                          | 0                   | 0              | 4  |
| GDPR (4.23/24)                                       | 6                        | 6               | 0                          | 0                   | 0              | 6  |
| Risk Management (5.23/24)                            | 9                        | 9               | 0                          | 0                   | 0              | 9  |
| Awarding Body Activity (6.23/24)                     | 2                        | 2               | 0                          | 0                   | 0              | 2  |
| Student Onboarding (8.23.24)                         | 2                        | 2               | 0                          | 0                   | 0              | 2  |
| Follow Up (9.23/24)                                  | 5                        | 4               | 1                          | 0                   | 0              | 4  |
| <b>Total</b>   | <b>30</b>                | <b>28 (93%)</b> | <b>2 (7%)</b>              | <b>0 (0%)</b>       | <b>0 (0%)</b>  | <b>28 (93%)</b>  |

# Findings and Actions

# 02



## FINDINGS AND ACTIONS

| Status | Detail   |
|--------|--|
| 1      | The entire action has been fully implemented.                |
| 2      | The action has been partly though not yet fully implemented. |
| 3      | The action has not been implemented.                         |
| 4      | The action has been superseded and is no longer applicable.  |
| 5      | The action is not yet due.                                   |

### Assignment: Further Education Statistical (FES) Return (1.23/24)

|  |   |
|--|---|
| <b>Original management action / priority</b> | The College will implement a new procedure for 2023/24 and only claim credits against learners who have submitted work to be marked.<br><b>Priority: Medium</b> |
|--|---|

**Audit finding status** / We reviewed the Open Learning Engagement Tracking and Credits Procedure, which outlines how the College determines whether Open Learning students remain active and hence remain eligible for claiming credits. Specifically, we noted the following information was outlined:

- Students are expected to spend six hours per week on average studying, therefore would be expected to complete a 3-credit course in 20 weeks. A student will normally be given six months, to account for variations.
- Students who have not engaged with their course should be withdrawn and no credits claimed.
- Open Learning Tutor responsibilities;
- Open Learning Team responsibilities;
- Student Records Team responsibilities;
- A tracker is used to track engagement of each student - a shared One Drive spreadsheet available to tutors and the Open Learning Team;
- Students who are not engaging should be chased every eight weeks by their tutor; and
- A procedure flowchart outlining the entire procedure.

We selected a sample of five Open Learning students listed on the FES and enrolled on courses against which credits are claimed and confirmed the following:

- In two instances, the learner had submitted work to be marked for each course listed against them on the FES. We reviewed the relevant course engagement trackers to confirm this.
- In one instance, a learner enrolled on two courses had only submitted work to be marked for one course. The engagement tracker confirmed that the College had chased this individual three times before withdrawing the individual from the course, in line with the procedure.

### Assignment: Further Education Statistical (FES) Return (1.23/24)

- For the two remaining instances, the engagement trackers had not been updated, or had not been provided, to confirm that each learner had engaged with each course they were enrolled in.

For the two learner discrepancies identified, the Performance Manager advised:

- in one instance that the learner had engaged and submitted work to be marked for the courses they were enrolled on. We obtained evidence of emails and assessment feedback to confirm this.
- in the second instance, an error in the credit claim had been identified for the learner. We were advised that the learner was a prisoner, and their initial engagement was facilitated through a third party, which contributed to this oversight. The College expect their credit data will be accurate for session 2024/25 with the implementation of a more robust tracking system.

If the College's engagement trackers are not fully updated, there is a potential risk of inaccurate student records, incorrect credit claims, and inadequate student support. Furthermore, credit claim errors may lead to financial loss, non-compliance with financial regulation, and inefficiencies due to the need for corrections.

**2: The action has been partly though not yet fully implemented.**

|                            |   |  |                                   |                                |
|----------------------------|---|--|-----------------------------------|--------------------------------|
| <b>Management Action 1</b> | The College will only claim credits against learners who have submitted work to be marked.<br>The College will also ensure that student engagement trackers are kept up to date, to reflect the actual progress and engagement of each learner. | <b>Responsible Owner:</b><br>Student Records Officer | <b>Date:</b><br>30 September 2025 | <b>Priority:</b><br><b>Low</b> |
|----------------------------|---|--|-----------------------------------|--------------------------------|

### Assignment: Follow Up (9.23/24)

|  |  |
|--|--|
| <b>Original management action / priority</b> | The College will ensure that all staff complete Cyber Awareness training on an annual basis and a process is enacted to escalate instances with line managers where training is not completed in a timely manner.<br><b>Priority: Medium</b> |
|--|--|

|                             |   |
|-----------------------------|---|
| <b>Audit finding status</b> | / We were advised that Cyber Security training was assigned to all staff in March 2025 and is therefore not yet due until 2026, however we obtained some evidence to confirm that the module had been assigned to staff. We also obtained a document outlining the overall process for Cyber Security Mandatory training such as: <ul style="list-style-type: none"><li>• What to include in the training announcement to staff;</li><li>• Ongoing monitoring and support:<ul style="list-style-type: none"><li>○ send follow-up reminders to staff who have not completed the module, including practical advice such as allocation 30 minutes to complete the training;</li><li>○ update line managers on their team's progress and ask them to follow up with non-compliant staff;</li></ul></li></ul> |
|-----------------------------|---|

---

**Assignment: Follow Up (9.23/24)**

- Review and compliance assurance:
  - schedule a meeting to review training completion reports from LearnNet;
  - identify non-compliant staff and their line managers;
  - issue a final warning to staff who have not completed the training, setting a deadline for immediate compliance;
  - if non-compliance persists, escalate to relevant manager.

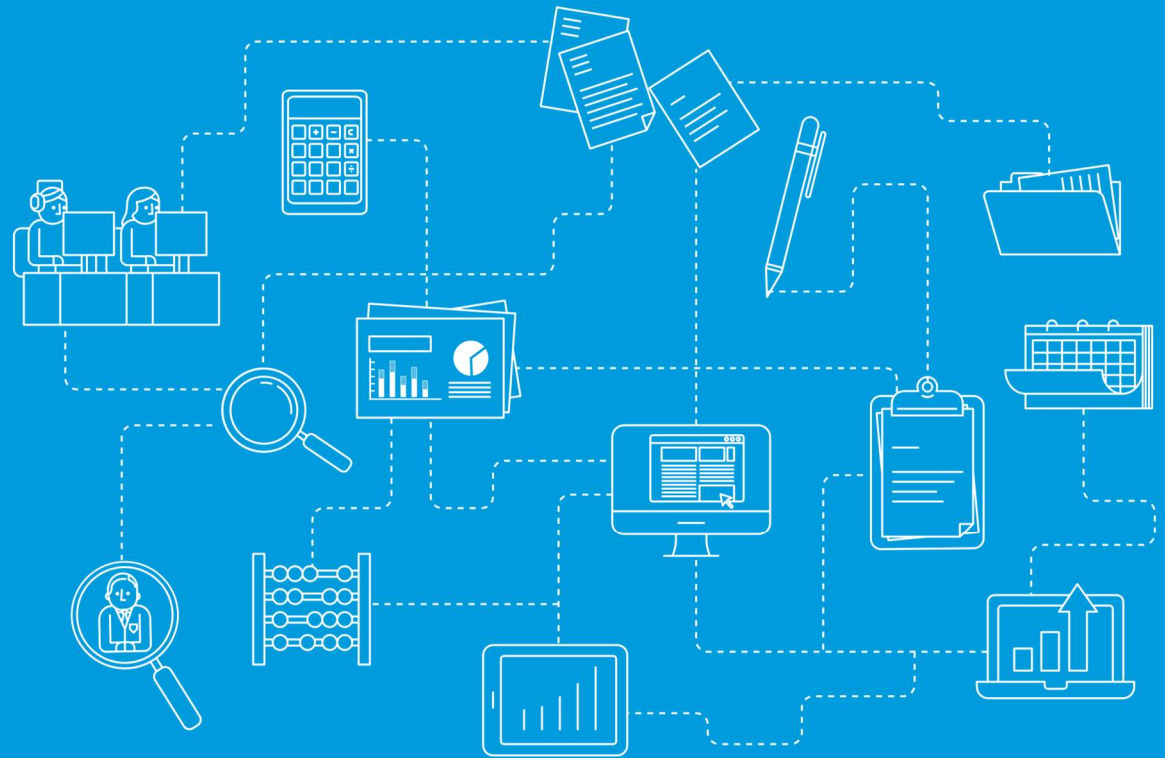
While we have obtained clear evidence to confirm that training has been formally rolled out, we were unable to confirm that all staff have completed the Cyber Awareness training at this time. We will therefore mark this action as partly though not yet fully implemented, to provide the College with time to ensure staff training completion, and escalation where necessary.

**2: The action has been partly though not yet fully implemented.**

|                            |   |  |                                  |                                |
|----------------------------|---|--|----------------------------------|--------------------------------|
| <b>Management Action 2</b> | The College will ensure that all staff complete Cyber Awareness training on an annual basis and a process is enacted to escalate instances with line managers where training is not completed in a timely manner. | <b>Responsible Owner:</b><br>Vice Principal, People and Transformation | <b>Date:</b><br>31 December 2025 | <b>Priority:</b><br><b>Low</b> |
|----------------------------|---|--|----------------------------------|--------------------------------|

# Appendices

## 03





## APPENDIX A: DEFINITIONS FOR PROGRESS MADE

The following opinions are given on the progress made in implementing actions. This opinion relates solely to the implementation of those actions followed up and does not reflect an opinion on the entire control environment.

| Progress in implementing actions | Overall number of actions fully implemented | Consideration of high priority actions                                    | Consideration of medium priority actions                            | Consideration of low priority actions                                |
|----------------------------------|---|---|---|--|
| Good                             | 75% +                                       | None outstanding.   | None outstanding.   | All low actions outstanding are in the process of being implemented. |
| Reasonable                       | 51 – 75%                                    | None outstanding.   | 75% of medium actions made are in the process of being implemented. | 75% of low actions made are in the process of being implemented.     |
| Little                           | 30 – 50%                                    | All high actions outstanding are in the process of being implemented.     | 50% of medium actions made are in the process of being implemented. | 50% of low actions made are in the process of being implemented.     |
| Poor                             | < 30%                                       | Unsatisfactory progress has been made to implement high priority actions. | Unsatisfactory progress has been made to implement medium actions.  | Unsatisfactory progress has been made to implement low actions.      |

## APPENDIX B: ACTIONS COMPLETED, SUPERSEDED OR NO LONGER APPLICABLE

From the testing conducted during this review we have found the following actions to have been fully implemented, superseded or no longer applicable. [Add testing detail if required by your client]

| Assignment title  | Management actions  |
|---|---|
| <b>Assignment: Further Education Statistical (FES) Return (1.23/24)</b> | <p><b>Implemented (Low)</b></p> <p>The College will maintain an audit trail and sign off process to verify and document checks made to ensure the completeness and accuracy of the final FES return prior to submission.</p>  |
| <b>Assignment: Financial Planning / Budget Monitoring (3.23/24)</b>     | <p><b>Implemented (Low)</b></p> <p>The College will update the Financial Regulation Policy in line with the work undertaken to ensure it reflects current practice. The updated Policy will include a document control table detailing review frequency, responsible owner and will be approved by the Leadership Team and Board as appropriate.</p> <p><b>Implemented (Low)</b></p> <p>The Budget Setting Procedure will be updated to reflect current timelines and will be subject to periodic review.</p> <p><b>Implemented (Low)</b></p> <p>Budget Holders will be reminded to ensure that each item of spend is mapped to a strategic priority.</p> <p><b>Implemented (Low)</b></p> <p>The College will investigate incorporating budget monitoring into the scope of the new finance system.</p> |
| <b>Assignment: GDPR (4.23/24)</b>                                       | <p><b>Implemented (Low)</b></p> <p>The College will ensure all staff are completing induction and GDPR training at the required frequency. Completion of training will be reviewed periodically and, where this is not being completed, instances of non-compliance will be escalated by the College's HR Team.</p> <p><b>Implemented (Low)</b></p> <p>The College will introduce training for Information Asset Owners, department leads and those staff with increased responsibilities for data protection and GDPR.</p>   |

| Assignment title                      | Management actions  |
|---------------------------------------|---|
|                                       | <p><b>Implemented (Low)</b></p> <p>The College will ensure responses are received from all departments on an annual basis. Where responses are not received in a timely manner, this will be escalated in a timely manner to ensure a response can be received. This will be supported by ensuring that ownership and review requirements are formally documented and made clear to staff.</p> <hr/> <p><b>Implemented (Low)</b></p> <p>The DPIA log should be reviewed by management to ensure it is complete and any areas for improvement or development are implemented. This review will also ensure all DPIA documentation is available and on file.</p> <hr/> <p><b>Implemented (Low)</b></p> <p>The RoPA will be updated to clearly state whether a DPIA is needed for each data set, using the ICO checklist to assist in this assessment. As part of this review, if it is identified that a DPIA is required, this will be completed and stored centrally.</p> <hr/> <p><b>Implemented (Medium)</b></p> <p>The retention schedule within the RoPA will be updated to ensure all data sets have a clear retention period recorded and this is up to date.</p> <p>Alongside this, other retention schedules used by the College will be reviewed and added to the RoPA retention schedule to ensure information is available in one location.</p> <p>To support this, the College will consider creating a policy or procedure document to ensure the process for managing data retention and destruction is clearly documented. Contents of this document will include:</p> <ul style="list-style-type: none"> <li>• storage methods;</li> <li>• destruction methods;</li> <li>• processes for identifying data to be destroyed; and</li> <li>• processes for verifying data has been destroyed.</li> </ul> |
| Assignment: Risk Management (5.23/24) | <p><b>Implemented (Medium)</b></p> <p>The College will update the Risk Management Policy to include key procedures such as risk escalation / cascade and risk appetite to ensure the process for communicating risk through the governance structure and that the College's risk appetite is clearly defined. The Policy will also be reviewed and the three lines of defence assurance model will be updated to reflect the current practices in place at the College.</p>   |

| Assignment title | Management actions  |
|------------------|---|
|                  | <p><b>Implemented (Medium)</b></p> <p>The College will implement a risk ownership framework that outlines accountability for risk at all levels within the organisation. Clear roles and responsibilities will be established at each level within the organisation, as appropriate, to support in embedding a risk management culture.</p>   |
|                  | <p><b>Implemented (Medium)</b></p> <p>Once the findings from the review have been addressed, risk owners will be given specific training on risk management to ensure they can fulfil their duties as accountable owners.</p>   |
|                  | <p><b>Implemented (Low)</b></p> <p>The Audit Committee will agree on the format for the risk deep dives, ensuring that the Terms of Reference clearly state the risks and controls being reviewed and the assurances sought, to outline what information needs to be documented and the management information that needs to be presented.</p>  |
|                  | <p><b>Implemented (Low)</b></p> <p>The College will introduce an emerging risk register which is monitored as part of the standard agenda at the Audit Committee and SLT meetings. As part of these discussions each risk owner/member will be given the opportunity to share any recent knowledge / communications they have received so members can discuss to ensure full transparency over potential emerging risks the College may need to consider.</p> |
|                  | <p><b>Implemented (Medium)</b></p> <p>The College will define what existing controls and mitigating actions are in place against each risk, and then the assurance it requires and is receiving from each element of the Three Lines of Defence model to identify any potential gaps which need addressing and how best the complete picture is periodically reported to the Audit Committee and Board to ensure appropriate oversight of Risk.</p>           |
|                  | <p><b>Implemented (Medium)</b></p> <p>The College will review its risk register to clarify / distinguish between what existing controls are already in place and additional, future, mitigating actions still to be implemented, in order to better assess residual risk ratings and identify risks outside of risk appetite.</p>   |
|                  | <p><b>Implemented (Low)</b></p> <p>The College will review its statement of Risk Appetite to consider defining numerical values to appetite definitions to then be used on the risk register itself.</p>  |

| Assignment title   | Management actions   |
|--|--|
|  | <p><b>Implemented (Low)</b></p> <p>The College will articulate the mechanism and relative responsibilities for the discussion of operational level risks and how significant matters are reported to SLT, Board or Audit Committee, and ensure that this is captured in its Risk Management Policy.</p>  |
| <p><b>Assignment: Awarding Body Activity (6.23/24)</b></p> | <p><b>Implemented (Low)</b></p> <p>The College will review the current programmes which have students enrolled on them to ensure a core pack has been developed and set up as defined in the procedure.</p> <p><b>Implemented (Low)</b></p> <p>The College will ensure all staff delivering internal verification requirements have undertaken the necessary e-learning module, achieved a pass grade, and reviewed the IV Procedure as required.</p>  |
| <p><b>Assignment: Student Onboarding (8.23.24)</b></p>     | <p><b>Implemented (Low)</b></p> <p>The College will review how it communicates support on offer to new students to ensure consistency (as far as is applicable) between courses and that this is documented more fully in the Admissions Procedure document and the Student Journey Map.</p> <p><b>Implemented (Low)</b></p> <p>The College will consider setting out, in the Admissions Procedure document, the various steps and timescales for contacting students if they fail to engage with the application and enrolment processes.</p>   |
| <p><b>Assignment: Follow Up (9.23/24)</b></p>              | <p><b>Implemented (Low)</b></p> <p>Management will ensure that the PVG Procedure is approved by SLT. Additionally, management will ensure that the PVG Procedure has been communicated to all members of staff.</p> <p><b>Implemented (Medium)</b></p> <p>The College will complete its project to develop reporting on vulnerability scans and the prioritisation of those identified. Once completed, the College will create a procedure document which details the process of the vulnerability scans and implementing remediation actions. It was also include the prioritisation of vulnerabilities and the timescales for implementing the mitigating actions.</p> <p><b>Implemented (Low)</b></p> <p>The College will ensure that six monthly phishing simulation exercises are performed and supported by training where required.</p> <p><b>Implemented (Medium)</b></p> <p>The College will ensure that penetration testing is undertaken on an annual basis.</p> |

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## APPENDIX C: SCOPE

The scope below is a copy of the original document issued.

### Scope of the review

The internal audit assignment has been scoped to provide assurance on how Dumfries and Galloway College, manages the following area:

### Objective of the area under review

To meet internal auditing standards and to provide management with on-going assurance regarding implementation of management actions / recommendations.

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When planning the audit, the following areas for consideration and limitations were agreed:

### Areas for consideration:

- This review will examine the extent to which agreed management actions have been implemented in relation to the following assignment reports:
  - Further Education Statistical (FES) Return (1.23/24)
  - Financial Planning / Budget Monitoring (3.23/24)
  - GDPR (4.23/24)
  - Risk Management (5.23/24)
  - Awarding Body Activity (6.23/24)
  - Student Onboarding (8.23.24)
  - Follow Up (9.23/24)
- Testing will be performed as appropriate to confirm the implementation of agreed actions to manage risks identified as part of the initial fieldwork.
- Focus will be given to those management actions categorised as high and medium priority.
- Management assurances will be obtained for those management actions classified as low priority.

### Limitations to the scope of the audit assignment:

- The review only covers the management actions stated and will not review the whole control framework. We are not providing assurance on the entire risk and control framework of the individual areas.
- We will provide assurance as to the implementation of recommendations arising from the assignments listed and any outstanding actions from prior years.
- Conclusions will be based on our assessments made through discussions with managers responsible for the implementation of management actions and where necessary evidence which demonstrates implementation.
- The level of implementation may be informed by sample testing.
- Further management actions may be raised based on sample testing. Where samples are required, records will be selected by the auditor from the time period.
- The results of our work are reliant on the quality and completeness of the information provided to us.
- Our work will not provide an absolute assurance that material errors, loss or fraud do not exist.

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|                            |               |
|----------------------------|---------------|
| <b>Debrief held</b>        | 3 July 2025   |
| <b>Draft report issued</b> | 10 July 2025  |
| <b>Responses received</b>  | 5 August 2025 |
| <b>Final report issued</b> | 5 August 2025 |

|  |  |
|--|--|
| <b>Internal audit Contacts</b>         | Rob Barnett, Head of Internal Audit<br>Anastasia Mullen, Associate Director<br>Patrick White, Consultant             |
| <b>Client sponsor<br/>Distribution</b> | Karen Hunter, Executive Director of Finance and Planning<br>Karen Hunter, Executive Director of Finance and Planning |

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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## DUMFRIES AND GALLOWAY COLLEGE

### Safeguarding

FINAL Internal Audit Report: 7.24/25

22 August 2025

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

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AUDIT | TAX | CONSULTING





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# AUDIT OUTCOME OVERVIEW


In line with our scope, included at Appendix B, the overview of our findings is detailed below.

**Conclusion:** We found that the College has a control framework in place which is consistently complied with in relation to safeguarding. There is an up to date Safeguarding Policy and Procedures in place, security over safeguarding information, and safeguarding trend monitoring and reporting processes in place. However, we identified **one medium** and **one low** priority actions relating to Board member safeguarding training and recording of lessons learnt for safeguarding cases. Further details can be found in the detailed findings section.

**Internal audit opinion:**




**Minimal Assurance**



**Partial Assurance**



**Reasonable Assurance**



**Substantial Assurance**

Taking account of the issues identified, the board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

- Audit themes:**
- Policy and Procedure  
The College has a Safeguarding Policy and Procedure document in place that outlines the College’s approach to safeguarding, and includes a Safeguarding Manual. The Policy document was last updated 24 January 2025 by the Safeguarding Lead and Depute Principal. The Policy is due to be reviewed by the Learning and Teaching Committee that next meets May 2025, with review of the agenda confirming that this is scheduled. The Safeguarding Policy is saved on the College intranet and is available to all staff and students to refer to.
  - Safeguarding Manual and Guidance  
The Safeguarding Manual is contained within the Safeguarding Policy and Procedure document and it is saved on the College intranet for staff and students to refer to. The manual details the full process for the safeguarding reporting process.
  - Safeguarding Training  
All College staff are required to complete their safeguarding training, and an internal deadline was set on 4 March 2025. Sample testing of 10 members of staff confirmed that all staff had completed their training before the deadline. An additional control is new starters are also provided with safeguarding training as part of their induction.
  - Board Safeguarding Training  
We reviewed the safeguarding training provided to the Board and found that the Board last completed their safeguarding training 14 June 2024. Best practice would be for the Board to be refreshed and reminded of the safeguarding policies and procedures via safeguarding training on an annual

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basis. The next Board safeguarding training session is due to be completed in December to ensure that the new members of the Board who are joining in September will complete theirs. **Low**

- CMIS Safeguarding Reporting

Review of the CMIS system confirmed it is used to log safeguarding cases and incidents. We selected a sample of safeguarding incidents from the past academic year and found that all incidents had been fully recorded on the system with follow up being recorded. Review of the CMIS system establish that it currently does not capture lessons learnt. **Medium**

- Safeguarding Case Handling

As part of our testing we selected a sample of 10 safeguarding incidents from the past academic year to confirm that the cases have been monitored and followed up on within the CMIS system. Testing confirmed that for all 10 cases follow up was completed and recorded in the comments and notes section. We also confirmed that the student involved in the incident was flagged in the system.

- Safeguarding Browser Protection

The College use the browser extension "R;pple" which monitors internet searches and searching of any harmful words or phrases used by students. It then provides a pop up to the learner with guidance and support details. Review of the system established that the flags and pop ups are not monitored or tracked. The College is exploring the development of a broader alerting mechanism as part of wider firewall upgrades, which would enable the ability to respond to specific safeguarding concerns.

- Safeguarding Access Rights

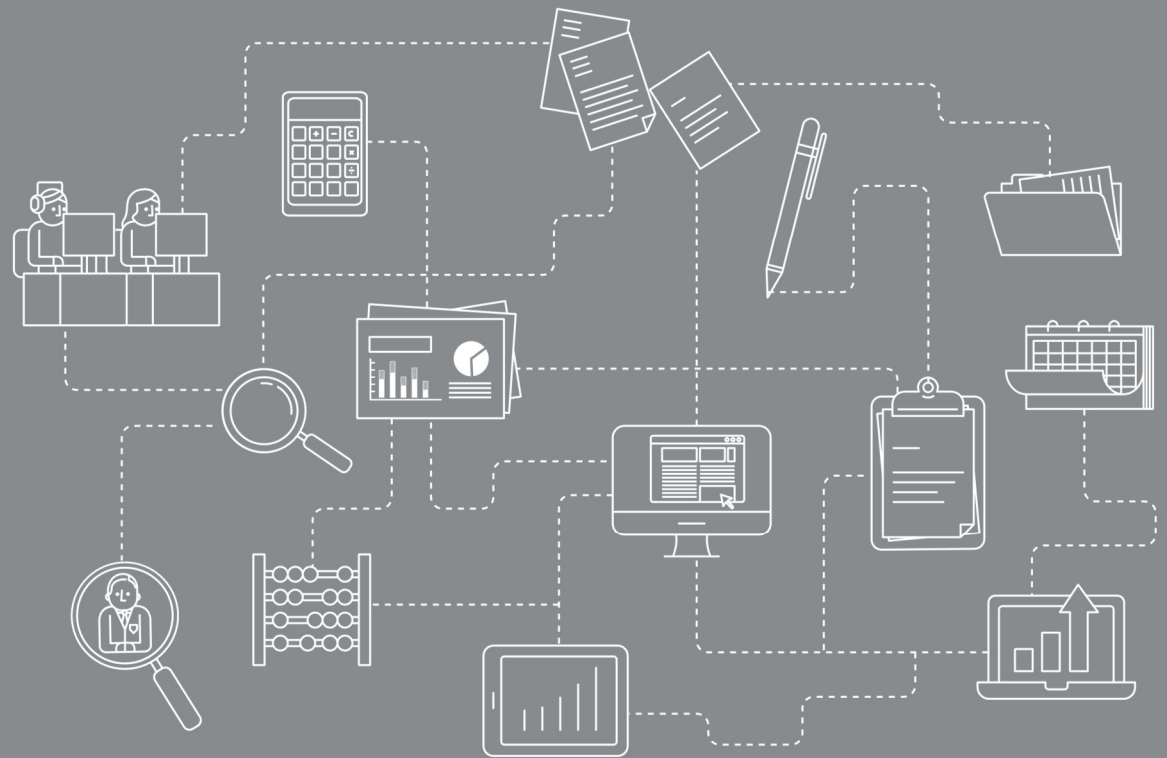
Review of the access rights set up within the CMIS system confirmed that there were seven members of staff with Safeguarding Admin level access, allowing them to monitor and add details to safeguarding forms and incidents. Review of the list of users and the Safeguarding Team list confirmed that all members of staff with the Safeguard Admin level access are members of the Safeguarding Team.

- Safeguarding Trend Monitoring and Reporting

The Safeguarding Team use data from the CMIS system to provide statistics related to safeguarding that are included within the Corporate Parenting and Safeguarding Reports and Student Experience Updates, and are presented to the Learning and Teaching Committee. The reports ensure that members of the Learning and teaching Committee and key members of senior management are aware of any trends with safeguarding or potential major issues.

# Summary of Actions for Management

01



## SUMMARY OF MANAGEMENT ACTIONS

The action priorities are defined as\*:

### High

Immediate management attention is necessary.

### Medium

Timely management attention is necessary.

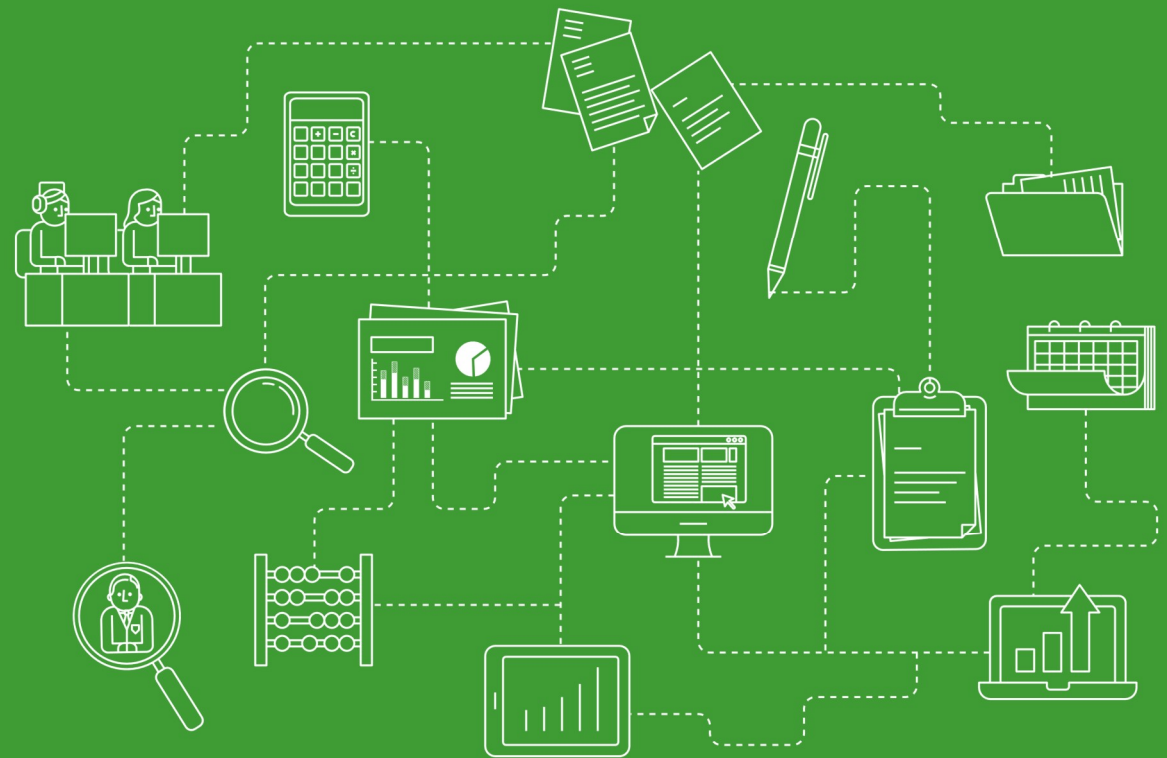
### Low

There is scope for enhancing control or improving efficiency.

| Ref | Action   | Priority | Responsible Owner                    | Date             |
|-----|--|----------|--------------------------------------|------------------|
| 1   | The Board will ensure the training scheduled in December 2025 for Board members is completed, and undertaken on a regular basis going forward.         | Low      | Director of Business Transformations | 31 December 2025 |
| 2   | The CMIS Safeguarding system will be updated to contain a lessons learnt section for the recording of lessons learnt when handling safeguarding cases. | Medium   | Director of Business Transformations | 31 August 2025   |

\* Refer to Appendix A for more detail

# 02



# DETAILED FINDINGS AND ACTIONS

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all audit testing undertaken.

## Background / Why we did the audit

The purpose of this audit was to assess the College's processes and procedures relating to safeguarding ensuring that controls and frameworks are in place to support the safeguarding function of the College. The College's new strategy Mission 2030 has the College's students and their future skills as its first of four pillars, as such the safeguarding and protection of children is a critical area of focus for the College.

We therefore undertook our testing to provide assurance that the College has a robust control framework in place to ensure that students are appropriately safeguarded. This included review of the College's policies, training, recording and monitoring of safeguarding concerns, and the reporting of safeguarding statistics across the College.

## Risk: Failure to Meet Regulatory Obligations

|                         |  |             |   |
|-------------------------|--|-------------|---|
| Control                 | All staff are required to complete Safeguarding and Prevent training on an annual basis. Safeguarding staff complete enhanced safeguarding training.   | Assessment: |   |
|                         |  | Design      | ✓ |
|                         |  | Compliance  | × |
| Findings / Implications | <p>All staff at the College are required to complete their Safeguarding training via the online training platform. The safeguarding training details the key messages and contacts from the Safeguarding Manual, and ensures that staff are aware of how to identify safeguarding concerns and how to report them. This year the Safeguarding training deadline was set as 4 March 2025, and all staff must complete training annually. All new starters who join the College are given an induction which provides new staff with training on Prevent and safeguarding ensuring that they are aware of the policies and procedures in place.</p> <p>Discussion with the Student Journey Manager established that the training system will send automatic reminders out to staff with outstanding training ensuring that they are aware of when it is due. The training contains a quiz style test at the end to ensure staff have paid attention and understand the training. Staff are required to get 80% at minimum to pass the test, if not the training and quiz must be completed again.</p> <p>As part of our testing we selected a sample of 10 members of staff from across the College to confirm that they have completed their Safeguarding Training before the 4 March deadline. Our testing found that all 10 sampled members of staff had completed their safeguarding training, with all training being complete before the deadline.</p> |             |   |



### Risk: Failure to Meet Regulatory Obligations

Members of the Safeguarding Team have completed their advanced safeguarding training, with two members of the Safeguarding Team having completed their Level 2 safeguarding training.

The Board of Governors are provided with training on an annual basis, and discussion with the Director of Business Transformation confirmed that the Board were last provided with training on 14th June 2024. The next Board safeguarding training session will be held in December 2025 for the full Board, once the new Board members have joined in September, allowing follow ups and refreshers in the Board's March meeting.

However currently the Board safeguarding training has not been completed in over a year and is not scheduled to be complete until December 2025. If Board members are not reminded of safeguarding procedures and requirements there is a risk that the incorrect procedure is followed.

|                               |  |   |                                  |                                |
|-------------------------------|--|---|----------------------------------|--------------------------------|
| <b>Management Action</b><br>1 | The Board will ensure the training scheduled in December 2025 for Board members is completed, and undertaken on a regular basis going forward. | <b>Responsible Owner:</b><br>Director of Business Transformations | <b>Date:</b><br>31 December 2025 | <b>Priority:</b><br><b>Low</b> |
|-------------------------------|--|---|----------------------------------|--------------------------------|

### Risk: Failure to Meet Regulatory Obligations

|                                |   |                    |   |
|--------------------------------|---|--------------------|---|
| <b>Control</b>                 | The College use the CMIS Internal Platform for the recording and monitoring of safeguarding incidents and cases.  | <b>Assessment:</b> |   |
|                                |   | <b>Design</b>      | ✓ |
|                                |   | <b>Compliance</b>  | × |
| <b>Findings / Implications</b> | Access to the system is restricted, however all teachers can report safeguarding incidents via the online safeguarding forms, with the Safeguarding Team using the system for monitoring and follow up. Review of the CMIS system confirmed that there are only seven members of staff with the Safeguarding Admin level of access.<br><br>Incidents are recorded via the use of an online safeguarding form that can be completed by any member of staff. The forms are then reviewed and the case is then assigned to a member of the Safeguarding Team who will record the case on the CMIS system. As part of our testing we selected a sample of 10 safeguarding incidents from the past year to confirm that all cases and incidents had been recorded in a prompt manner, and a safeguarding incident form was completed.<br><br>For all 10 sampled safeguarding incidents we found that in all incidents the member of staff had completed a safeguarding incident form. Review of the dates of incidents and the incident forms confirmed that for all sampled cases, the incident forms were completed on either the same day or on the following school day. For all sampled cases we confirmed that the details recorded on the incident form matched the details recorded on CMIS. Review of the CMIS system also confirmed that for all cases that follow up actions were listed below in the comments and notes sections.<br><br>Discussion with the Safeguarding Team established that the CMIS system currently does not have a section to record lessons learnt, or any key improvement areas. The Safeguarding Team meet on a monthly basis to discuss active incidents and cases, and discuss lessons learnt. However |                    |   |

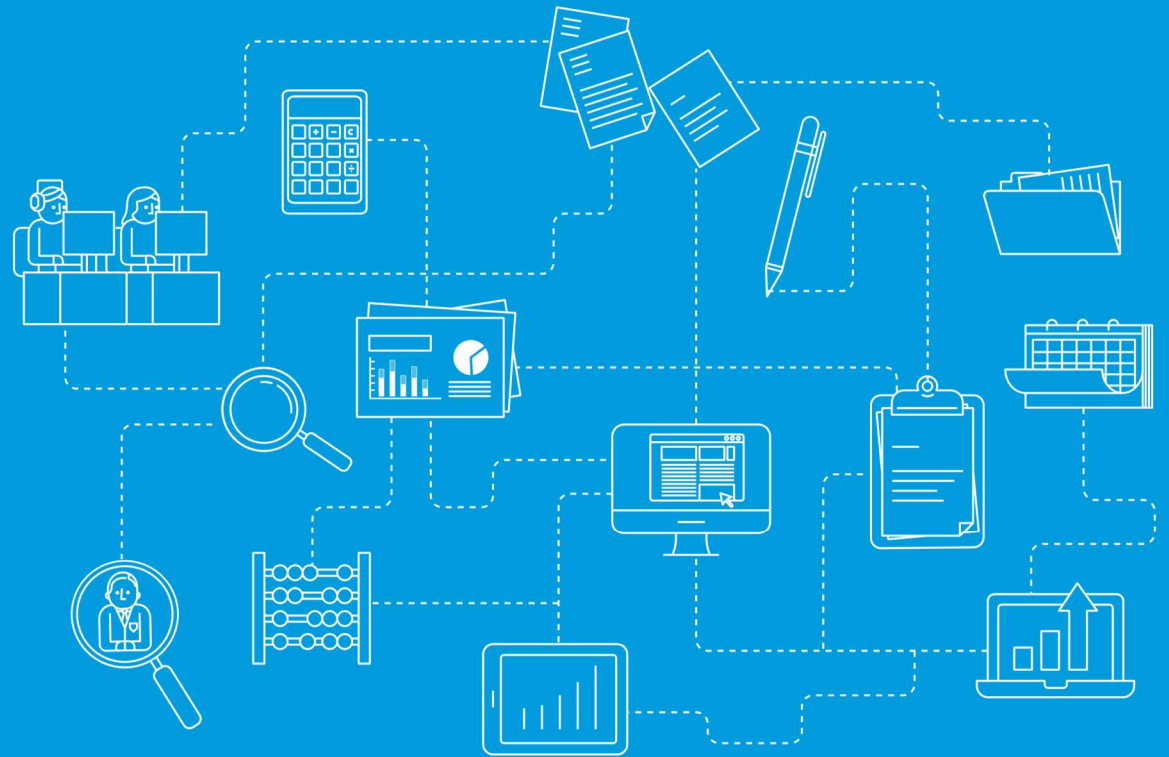
### Risk: Failure to Meet Regulatory Obligations

these meetings are not minuted and there is no report of lessons learnt generated. If lessons learnt are not recorded there is a risk that issues or problems go unaddressed in the future and could re-occur. As such we have raised a management action for the CMIS system to be updated to include a lessons learnt section for each incident and student. These can then be included within a monthly report that can be reviewed at the monthly Safeguarding Team meetings.

|                                |  |   |                                |                                   |
|--------------------------------|--|---|--------------------------------|-----------------------------------|
| <b>Management Action<br/>2</b> | The CMIS Safeguarding system will be updated to contain a lessons learnt section for the recording of lessons learnt when handling safeguarding cases. | <b>Responsible<br/>Owner:</b><br>Director of<br>Business<br>Transformations | <b>Date:</b><br>31 August 2025 | <b>Priority:</b><br><b>Medium</b> |
|--------------------------------|--|---|--------------------------------|-----------------------------------|

# Appendices

## 03



## APPENDIX A: CATEGORISATION OF FINDINGS

### Categorisation of internal audit findings

#### Low

There is scope for enhancing control or improving efficiency.

#### Medium

Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.

#### High

Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The following table highlights the number and categories of management actions made as a result of this audit.

| Risk                                   | Control design not effective* | Non-compliance with controls* | Agreed actions |          |          |
|--|-------------------------------|-------------------------------|----------------|----------|----------|
|  |                               |                               | Low            | Medium   | High     |
| Failure to meet regulatory obligations | 0 (9)                         | 2 (9)                         | 1              | 1        | 0        |
| <b>Total</b>                           |                               |                               | <b>1</b>       | <b>1</b> | <b>0</b> |

\* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

## APPENDIX B: SCOPE

The scope below is a copy of the original document issued.

### Scope of the review

The scope was planned to provide assurance on the controls and mitigations in place relating to the following risk:

| Objective of the risk under review  | Risks relevant to the scope of the review | Risk source             |
|---|---|-------------------------|
| The College has policies and processes in place to ensure that it complies with the National Guidance for Child Protection in Scotland 2023 and the Adult Support and Protection (Scotland) Act 2007. | Failure to meet regulatory obligations    | Strategic risk register |

### When planning the audit, the following were agreed:

#### Areas for consideration:

- Policies and procedures relating to safeguarding and Prevent are in place. These are subject to periodic review to ensure that they remain up to date and reflect current operating practices and legislation.
- Operational procedure notes / manuals have been developed to document the processes relating to the recording and monitoring of safeguarding concerns. There is an internal process to record safeguarding cases once identified by staff, contractors and / or volunteers.
- Training for staff (including front line staff, management and the Board) has been provided; and for some specific roles enhanced training requirements have been identified and provided.
- Recording and monitoring of safeguarding cases and safeguarding issues, including near misses is in place. Including; the tracking of outcomes of any safeguarding cases to ensure the lessons learnt have been applied and near misses identified and communicated across the College.
- How records of referrals and concerns is maintained up to date including flags on the student records and actions against existing cases. We will also consider how the data is kept secure and is only available to specific staff members who require access.
- How the College ensure that adequate filters for student searches are in place, including how searches for specific topics or words are identified, monitored and investigated. We will also consider the controls and processes in place for digital safeguarding with regards to access to specific systems or applications.
- Whether monitoring of trends and management reporting is conducted to enable future enhancements to controls and processes.
- Internal governance arrangements are in place to support the safeguarding policy, including reporting to the Board and relevant committees or steering groups.

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### **Limitations to the scope of the audit assignment:**

- The review is not intended to replicate or predict the outcome of a regulatory inspection.
- We will not comment on whether all safeguarding guidance has been captured, only whether there is a framework in place to capture the guidance.
- Our work is only designed to review the systems and internal controls in place to ensure safeguarding risks are appropriately mitigated.
- We will undertake an assessment of the adequacy of selected key aspects of the control framework (as stated in the areas for consideration above).
- Any testing undertaken during the audit will be performed on a sample basis only.
- Our review will not consider the entire policy and procedural framework available regarding safeguarding other than to confirm that such documentation is available to staff.
- We will not form an opinion on the appropriateness of the conclusions of any investigations arising from any referral or the appropriateness of the action plans developed in response to such investigations.
- We will not comment on the suitability of the leads for safeguarding adults and children, only that the role is in place and responsibilities have been established.
- We will not provide an opinion on whether the College has learnt from previous allegations of safeguarding made against them.
- Our audit does not seek to replicate advice provided by external, third parties in relation to the safeguarding referrals and / or any resultant actions, only that any actions have been completed.
- The results of our work are reliant on the quality and completeness of the information provided to us.
- Our work will not provide an absolute assurance that material errors, loss or fraud do not exist.
- Please note that the full scope of the assignment can only be completed within the agreed budget if all the requested information is made available at the start of our fieldwork, and the necessary key staff are available to assist the internal audit team. If the requested information and staff are not available we may have to reduce the scope of our work and/or increase the assignment budget. If this is necessary we will agree this with the client sponsor during the assignment.
- To minimise the risk of data loss and to ensure data security of the information provided, we remind you that we only require the specific information requested. In instances where excess information is provided, this will be deleted, and the client sponsor will be informed.

---

|                                     |                |
|-------------------------------------|----------------|
| <b>Debrief held</b>                 | 20 May 2025    |
| <b>Additional evidence received</b> | 23 June 2025   |
| <b>Draft report issued</b>          | 27 June 2025   |
| <b>Revised draft report issued</b>  | 1 July 2025    |
| <b>Responses received</b>           | 19 August 2025 |
| <b>Final report issued</b>          | 22 August 2025 |

|                                |                                      |
|--------------------------------|--------------------------------------|
| <b>Internal audit Contacts</b> | Rob Barnett, Head of Internal Audit  |
|                                | Anastasia Mullen, Associate Director |
|                                | Patrick Reynolds, Senior Consultant  |

|                       |  |
|-----------------------|--|
| <b>Client sponsor</b> | Phil Storrier, Executive Director of Student Experience and Academic Performance |
|-----------------------|--|

Claire Marshall, Student Journey Manager

|                     |  |
|---------------------|--|
| <b>Distribution</b> | Phil Storrier, Executive Director of Student Experience and Academic Performance |
|---------------------|--|

Claire Marshall, Student Journey Manager

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## FOR FURTHER INFORMATION CONTACT

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# Dumfries and Galloway College

## Internal Audit Progress Report

Audit Committee – 18 September 2025

Issued – 10 September 2025



# Internal Audit Progress Report September 2025

Progress with the annual plan for 2025/26 is shown below.

| Audit Area                             | Planned reporting date | Report status             | Report Number | Overall Conclusion | Audit Committee | Comments   |
|--|------------------------|---------------------------|---------------|--------------------|-----------------|--|
| Internal Audit Annual Plan 2025/26     | May 2025               | Draft: 21/05/25<br>Final: | 2026/01       | <b>N/A</b>         | 29/05/25        |  |
| Learning & Development                 | March 2026             |                           |               |                    |                 | Proposed start date for fieldwork 17/11/25   |
| Payroll                                | March 2026             |                           |               |                    |                 | Proposed start date for fieldwork 14/01/26   |
| Operational Estates Management         | March 2026             |                           |               |                    |                 | Proposed start date for fieldwork 10/11/25   |
| Budgetary Control / Financial Planning | May 2026               |                           |               |                    |                 | Proposed start date for fieldwork 16/03/26   |
| Cyber Security                         | May 2026               |                           |               |                    |                 | Proposed start date for fieldwork 23/02/26   |
| Credits Audit                          | November 2025          |                           |               |                    |                 | Fieldwork commenced on 01/09/25 although detailed audit testing has been delayed due to system access issues which are currently being resolved. Audit samples have been selected. |



| Audit Area            | Planned reporting date | Report status | Report Number | Overall Conclusion | Audit Committee | Comments  |
|-----------------------|------------------------|---------------|---------------|--------------------|-----------------|---|
| Student Support Funds | November 2025          |               |               |                    |                 | Fieldwork commenced on 01/09/25 although detailed audit testing has been delayed due to system access issues which are currently being resolved. Audit samples have been selected |
| Follow-up Review      | May 2026               |               |               |                    |                 | Proposed start date for fieldwork 23/03/26  |

Gradings are defined as follows:

|                             |   |
|-----------------------------|---|
| <b>Good</b>                 | System meets control objectives.  |
| <b>Satisfactory</b>         | System meets control objectives with some weaknesses present.             |
| <b>Requires improvement</b> | System has weaknesses that could prevent it achieving control objectives. |
| <b>Unacceptable</b>         | System cannot meet control objectives.                                    |

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| <b>Audit Committee</b> |                    |
|------------------------|--------------------|
| Agenda Item            | <b>7</b>           |
| Paper Number           | <b>AUD0925-7.1</b> |

|  |  |                |
|--|--|----------------|
| Date of Meeting  | <b>18 September 2025</b>   |                |
| Location   | <b>MS Teams</b>  |                |
| Title of Paper   | <b>Internal Audit Tracker</b>  |                |
| Presented by   | <b>Lorraine Grierson</b>   |                |
| <b>Recommendation</b>  | <b>Discussion</b>  |                |
| Freedom of Information Disclosure Assessment   |  |                |
| FOI flag:  | <input type="checkbox"/> Disclosable <input checked="" type="checkbox"/> Non-disclosable |                |
| Reason/s for choice:   |  |                |
| Notes from author:<br>(When will it become disclosable? Has FOI Officer guidance been sought?) |  |                |
| Further comments/updates after initial submission  |  |                |
| Date added   | Added by (name and role)   | Comment/detail |
|  |  |                |

**Read Time:** 6 minutes

## 1. Recommendation

- 1.1. The Audit Committee is asked to note the contents of the report and discuss any matters arising from it.

## 2. Executive Summary

2.1. The attached table summarises actions derived from recent internal audit reviews and shows the progress towards completion.

## 3. Context

3.1. Audit Committee are asked to review the detailed schedule of recommendations which have been made by the Internal Auditors as part of their audit findings and ensure any ongoing items are on schedule for completion by the implementation date.

3.2. The table below shows the current status of the Reports.

- 1 New report with 2 actions – Safeguarding
- 1 ongoing report with actions – Follow Up 24/25
- 2/4 actions closed.

| Report                                | Total Actions | Status  |        |                  |   |  | Target date for completion |
|---------------------------------------|---------------|---------|--------|------------------|---|--|----------------------------|
|                                       |               | Overdue | Closed | Ongoing<br>L M H |   |  |                            |
| Ongoing Reports                       |               |         |        |                  |   |  |                            |
| Follow Up 24/25<br>(Good progress)    | 2             |         | 1      |                  | 1 |  | Dec 25                     |
| New Reports                           |               |         |        |                  |   |  |                            |
| Safeguarding<br>Substantial Assurance | 2             |         | 1      | -                | 1 |  | Dec 25                     |
| TOTAL                                 | 4             |         | 2      | 0                | 2 |  |                            |

## 4 HR Audits

4.1 The action log from the HR Audit is attached at appendix 1 showing the ongoing progress towards completion, which will be continually monitored and reported on.

**L. Grierson**

Governance Professional

05 September 2025