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AUDIT & RISK COMMITTEE

12 February 2026

1.0 Audit Recommendations Monitoring PURPOSE OF PAPER
For discussion

1.1 The purpose of this report is to provide the Committee with an update on the progress of recommendations made by Internal and External Auditors. The report also monitors progress on recommendations made by the Data Protection Officer in relation to any Data breaches.

2.0 EXECUTIVE SUMMARY

2.1 Four of the Eight internal audit recommendations have been confirmed as complete. All others are on track to complete within the agreed target date.

2.2 The one external audit recommendation is complete awaiting confirmation during the audit in October.

2.3 There have been three data breaches reported since the start of the year. These are currently under investigation.

3.0 RECOMMENDATION(S)/ACTION(S) REQUIRED

3.1 It is recommended the Committee:

3.1.1 Note the progress of the actions contained in the report.

4.0 BACKGROUND

4.1 The internal audit function of the College is provided by wbg Services LLP, with the current contract commencing on 1 August 2024 to 31 July 2027. The reports from audits completed by wbg are reported to the Audit & Risk Committee and any recommendations made have an action plan agreed with Managers which include responsible person and target date for completion.

4.2 The external audit function is provided by Azets, who are appointed to the College by Audit Scotland. All reports from completed audits are reported to the Audit & Risk Committee and any recommendations made have an action plan agreed with Managers which include responsible person and target date for completion.

4.3 The Data Protection Officer (DPO) service is provided via HEFESTIS one day per week. All data breaches or suspected data breaches are reported to the DPO for investigation. The outcomes of the investigation determine if a data

breach has occurred and provides recommendations to ensure the risk of breaches is minimized.

4.4 All recommendations from these areas are recorded and the progress on actions are monitored by the Audit & Risk Committee to ensure it can provide the Board with assurance on the internal controls of the College.

5.0 PROGRESS UPDATE

5.1 The table below provides a summary of recommendations and their position as at 4 February 2026. Fuller detail is contained in Appendix 1.

Internal and External Audit + Data Breach Recommendations - Progress
04 February 2026

	Internal audit			External audit			DP breach	TOTAL
	High	Med	Low	High	Med	Low		
Closed		2	4			1	8	15
On track		1	1				3	5
Revised deadline								0
Overdue / concern								0
TOTAL	0	3	5	0	0	1	11	20

5.2 Four recommendations have been confirmed as fully complete within the Follow up Audit. The recommendation made during the credit audit is also considered complete and will be verified as part of the credit audit due to take place in October 2026. One Cyber recommendation is fully complete, subject to audit confirmation and the remaining 3 recommendations are on track to complete by the agreed target date.

5.3 The external audit recommendation made during the 2024/25 Annual audit is complete subject to audit confirmation as part of the audit in October/November 2026.

5.4 There have been 11 reported data breaches during the 12-month period. Three of these have occurred in January and are currently under investigation. Recommendations will follow once the investigations are complete. None of the breaches have required to be reported to Information Commissioner.

6.0 IMPLICATIONS AND CONSIDERATIONS

6.1 Financial Implications

There are no direct financial implications from the contents of this report.

6.2 Learner Implications

There are no direct learner implications from the contents of this report.

6.3 Staff Implications

There are no direct staff implications from the contents of this report.

6.4 Equality and Diversity Implications/Equality Impact Assessment

There are no direct equality implications from the contents of this report.

6.5 Sustainability/Environmental Implications

There are no direct sustainability implications from the contents of this report.

7.0 RISK COMMENTARY

7.1 Strong governance and controls are key risk mitigations. The work undertaken by Internal and External Audit ensures the College has these and they are adhered to. The recommendations previously made by audit ensures the College continues to improve its controls and governance. The monitoring of the implementation ensures all recommendations are implemented in a timely manner.

8.0 CONCLUSION

8.1 Progress has been made on all recommendations.

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Previous Board or College Committee Approvals: Audit & Risk Committee, 2 December

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For publication ☐	**Not for publication** ☒ **If not, why not?** Private due to the inclusion of specific recommendations in connection with Cyber Security

Appendix 1

Borders College Internal Audit Monitoring Action Plan **12 February 2026**

c= Closed, o = On track, r = revised timeline, od = Overdue/concern

Date reported to Audit Committee	REPORT	ORIGINAL RECOMMENDATION	MANAGEMENT RESPONSE	GRADE	RESPONSIBLE PERSON	DUE DATE AGREED WITH AUDIT	STATUS	Updates/comments
13/02/2025	Financial Sustainability	We recommend that the College look to include monitoring of staff utilisation as part of the budget monitoring process.	This is for lecturing only and the information will be utilised in curriculum planning and timetabling. The information will be reviewed quarterly by Vice Principal Student Experience and the Assistant Principal of Curriculum and Sustainability. Any additional pressures or savings will then be reported as part of the Quarterly Financial Review.	Low	Vice Principal Student Experience	30/06/2025	C	**October update** Information incorporated into the Curriculum planning process. Action complete subject o Audit confirmation **Feb 2026 update** Confirmed by Auditor as complete
22/05/2025	Business Continuity	We recommend that the College introduce a structured approach to BC testing and training, incorporating regular tabletop exercises for senior management and key stakeholders. These exercises should serve as both a test of the BC Plan and a training opportunity, ensuring participants understand their roles in a crisis. The exercises should simulate realistic disruption scenarios, allowing for assessments of response actions, communication protocols, and decision-making processes. Outcomes should be documented, and any lessons learned should be used to refine the BC Plan, ensuring it remains practical and effective.	Recommendation agreed and tabletop exercise to take place on 28th March. Outcomes will from learning plan and an exercise will be scheduled to happen at least once a year.	Low	Director of Estates & Facilities	30/06/2025	C	**October update** Exercise took place, learning points identified and solutions being implemented. Action complete subject to Audit confirmation **Feb 2026 update** Confirmed by Auditor as complete
22/05/2025	Business Continuity	We recommend that the College carry out a formal Business Impact Analysis (BIA) as part of its ongoing BC planning process. The BIA should document the critical business functions, dependencies on external partners, and recovery priorities for each area of the College, considering multiple campuses and external factors such as local councils and the NHS. The formalised BIA should be integrated into the next scheduled review of the BC Plan, helping to ensure that the College's continuity planning remains comprehensive and aligned with its operational needs.	Recommendation agreed and will be taken forward by Director of Estates and Facilities with input from all departments	Low	Director of Estates & Facilities	31/03/2026	O	**October update** Work has commenced and is on track **December 2025 update** Work on track **Feb 2026 update** Work on track, slight delay due to staffing shortages
22/05/2025	HR Policies	We recommend that the College look to update their Whistleblowing Policy and Procedure and include the sections identified within the finding.	These recommendations will be implemented	Low	Director of People Services	31/12/2025	C	**October update:** Revised policy was approved at Joint Consultative Committee - Policies on 17/09/25. Action complete subject to Audit confirmation **Feb 2026 update** Confirmed by Auditor as complete
22/05/2025	HR Policies	We recommend that the College develop and implement a formal, comprehensive Staff Code of Conduct outlining professional expectations, ethical standards, safeguarding responsibilities, and disciplinary procedures. Listed below are potential areas of inclusion: - Introduction and Purpose - Professional Standards & Responsibilities - Safeguarding & Protections - Equality, Diversity & Inclusion - Confidentiality & Data Protections - Relationships with Students & Colleagues - Conflicts of Interest & Gifts - Financial Integrity & Fraud Prevention - Social Media - Reporting Concerns & Whistleblowing; and - Acknowledgement & Compliance	These recommendations will be implemented	Low	Director of People Services	31/12/2025	C	**October update:** Revised Code of Conduct was approved at Joint Consultative Committee - Policies on 17/09/25. Action complete subject to Audit confirmation **Feb 2026 update** Confirmed by Auditor as complete

Date reported to Audit Committee	REPORT	ORIGINAL RECOMMENDATION	MANAGEMENT RESPONSE	GRADE	RESPONSIBLE PERSON	DUE DATE AGREED WITH AUDIT	STATUS	Updates/comments
09/10/2025	Credits 2024-25	We recommend the College strengthens controls over credit claims for withdrawn students, particularly for work-based learning courses. This should include regular monitoring of engagement evidence through Smart Assessor and ensuring withdrawal dates are accurately recorded in line with the last engagement.	We also completed sample testing of 20 withdrawn students and identified one case where the withdrawal date was incorrectly recorded on both ProSolution (the College's student database system) and the FES 2 return. The student's last date of attendance per the registers was 23 July 2024, but the withdrawal date on ProSolution and the FES was noted as 30 September 2024. This discrepancy did not impact on the credit count as both dates were before the required date. From our root cause analysis, the withdrawal dates recorded could not be verified to supporting evidence. This appears to have been an administrative error, leading to a mismatch between the actual last engagement date and the withdrawal date entered. There is a risk that the College is claiming ineligible credits which could lead to financial adjustments	Med	Director of MIS & Quality	31/10/2025	C	**Dec 2025 update -** Action complete subject to Audit confirmation at the next credit audit, scheduled for Oct 2026 **Feb 2026 update** Complete subject to audit confrimation
02/12/2025	Cyber Security	We recommend that the College develops a dedicated CIRP or specific cyber incident playbooks to supplement the overall Major Incident Procedure. We acknowledge that the IT and Digital Learning Team are planning to test a set of draft playbooks in the near future as part of an internal tabletop exercise. We would encourage the College to expedite any project that would help finalise and implement a robust and fully operational CIRP.	As mentioned in the recommendation, the college is currently testing a set of draft cyber incident response playbooks which once approved will be used with other documents such as our IT Major Incident procedure and cyber response contacts to form a complete Cyber Incident Response Plan.	Med	Director of IT & Digital Learning	30/01/2026	c	**Feb 2026 update** CIRP updated and used in both IT & Digital department practice exercise and recent IT Major Incident.
02/12/2025	Cyber Security	We recommend that the College identify and adopt an appropriate Managed Detection & Response (MDR) solution, Security Information & Event Management (SIEM) service, or Security Operations Centre (SOC), that will assist the IT & Digital Learning Team in monitoring and responding to security threats and incidents in real-time. Implementing an MDR, SIEM or SOC solution would be a significant step forward in strengthening the College's cyber security posture.	The college will review options and costs for a SOC/SIEM service before making a decision on implementation	Med	Director of IT & Digital Learning	30/06/2026	O	**Feb 2026 Update** Currently gathering initial quotes for this service to assess estimate costs. Action complete subject to audit confirmation

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

Closed
On track
Revised deadline
Overdue / concern

Borders College External Audit Monitoring Action Plan **12 February 2026**

c= Closed, o = On track, r = revised timeline, od = Overdue/concern

Date reported to Audit Committee	TOPIC	RECOMMENDATION	Management Response	Rating	RESPONSIBLE PERSON	DUE DATE AGREED WITH AUDIT	STATUS	Updates/comments
02/12/2025	Balance Sheet	We recommend that the College undertakes annual reviews of nil net book value assets and asset useful lives.	Fixed asset annual review will be incorporated into the Annual Accounts process	Other observation	Financial Controller	30/06/2026	c	**Feb 2026 Update** Annual review incorpoated into annual accounts timetable. Review scheduled for May each year **Action complete subject to audit confirmation**

Rating	Assessment rationale
Significant deficiency	An issue that results in a severe impact to the achievement of objectives in the area audited.
Other deficiency	An issue that results in a moderate impact to the achievement of objectives in the area audited.
Other observation	An issue that results in a small impact to the achievement of objectives in the area audited.

Closed
On track
Revised deadline
Overdue / concern

Borders College DP Breach Action Plan

04 February 2026

c= Closed, o = On track, r = revised timeline, od = Overdue/concern

Date of Incident	TOPIC	RECOMMENDATION	RESPONSIBLE PERSON	DUE DATE	STATUS	Updates/comments
04/04/2025	Email etiquette	Ensure mandatory training completed and responsibilities reinforced to all staff. Staff to be reminded to check email addresses prior to sending	Director of Student Support/Director IT & Digital	30/04/2025	C	**May 2025:** Training full up to date and staff reminded to check emails and empty auto-complete list on regular basis Action Complete
01/05/2025	Email etiquette	Ensure mandatory training completed and responsibilities reinforced to all staff. Staff to be reminded to check email addresses prior to sending	Director of People Services	30/06/2025	C	**October 2025:** Training full up to date and staff reminded to check emails and empty auto-complete list on regular basis Action Complete
02/06/2025	Incorrect disposal of paperwork	Ensure all furniture emptied prior to disposal Review retention of PVG forms	Director of Estates & Facilities /Assistant Vice Principal	30/10/2025	C	**October 2025**: Procedure in place for furniture moves PVG retention forms being reviewed as part of review of Work Placement Procedures December 2025 Action complete
20/06/2025	Data availability	Remove ability of staff to move files	Director IT & Digital Learning	30/09/2025	C	**October 2025:** Action fully implemented Action Complete
20/06/2025	Email etiquette	Ensure mandatory training completed and responsibilities reinforced to all staff. Staff to be reminded to check email addresses prior to sending. Review and move email address for students who are no longer students	Director IT & Digital Learning	30/08/2025	C	**October 2025:** Training full up to date and staff reminded to check emails and empty auto-complete list on regular basis. Students emails reviewed and dormant ones removed Actions complete
11/08/2025	Email etiquette	Ensure mandatory training completed and responsibilities reinforced to all staff. Staff to be reminded to check email addresses prior to sending. Staff to limit copying and pasting of data	Assistant Vice Principal	30/09/2025	C	**October 2025:** Training full up to date and staff reminded to check emails and empty auto-complete list on regular basis Action Complete
19/09/2025	Email etiquette	Ensure mandatory training completed and responsibilities reinforced to all staff. Staff to be reminded to check email addresses prior to sending	Director of Student Support/Director IT & Digital Learning	31/12/2025	C	**December 2025:** Training full up to date and staff reminded to check emails and empty auto-complete list on regular basis Action Complete
25/09/2025	Email etiquette	Ensure correct emails are used, check templates are unpopulated, improve data minimisation	Director of People Services	31/12/2025	C	**December 2025:** Training fully up to date and staff remined to check email addressed and templates prior to sending. Data minimisation review ongoing Action Complete
22/01/2026	Email etiquette	Currently under investigation	Director IT & Digital Learning		o	
28/01/2026	Data quality/Email etiquette	Currently under investigation	Director Student Support		o	
29/01/2026	Postal error	Currently under investigation	Assistant Vice Principal		o	

Closed
On track
Revised deadline
Overdue / concern