News release

For immediate release

Failures over college climate project

Forth Valley College has improved its project management arrangements after a series of failings related to a net-zero project.

The college received over £1 million of public funding between 2020 and 2023 for the Fuel Change project. Auditors qualified the college's 2022/23 accounts due to a procurement breach which primarily related to failures by the college to:

- draw up and agree contracts for project spending totalling over £900k
- obtain approval to appoint a supplier without competition.

The college carried out an internal investigation into suspected financial irregularities related to the project. This included £76,000 of public funding being paid into non-college bank accounts, rather than paid directly to the college.

The college did not lose any money from these procurement and financial control failings. The college has since ended its ties with the Fuel Change project. It has also carried out a lessons learned exercise and implemented its recommendations.

Stephen Boyle, Auditor General for Scotland, said:

"Forth Valley College did not oversee and manage the finances of the Fuel Change project properly, and this led to significant failings.

"The college has since taken action to minimise the risk of these failings happening again, including making good progress on strengthening arrangements for future college-run projects.

"There are lessons to be learned for other colleges and public bodies, who need to make sure they can manage the risks associated with involving external bodies in projects."

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Notes to Editor:

1. The Auditor General has prepared the report on Forth Valley College's 2022/23 accounts under Section 22 of the Public Finance and Accountability (Scotland) Act 2000. This allows the Auditor General to bring to the Parliament and the public's attention matters of public interest related to the financial statements of public bodies.

2. The Fuel Change project aimed to help apprentices solve real-life net-zero challenges set by businesses.

3. Section 22 reports are submitted to Scottish Ministers for laying in the Parliament along with the accounts of the relevant body. While there are statutory deadlines for these reports, the actual timing of publication is determined by when the report is laid in the Scottish Parliament by Scottish Ministers.

4. Audit Scotland has prepared this report for the Auditor General for Scotland. All Audit Scotland reports published since 2000 are available at www.audit.scot

- The Auditor General appoints auditors to Scotland's central government and NHS bodies; examines how public bodies spend public money; helps them to manage their finances to the highest standards; and checks whether they achieve value for money. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament

- Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.

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