

## Audit scope

# Colleges overview



AUDITOR GENERAL 

Prepared by Audit Scotland  
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Scotland's colleges contribute to sustainable economic growth by helping to develop a highly educated and skilled workforce. Scotland's colleges operate across 13 regions, delivering a wide range of further and higher education courses to over 230,000 students. These courses provide people with a variety of skills and experience to take forward into the workplace or on to further training or education.

The Scottish Government provides Scotland's colleges with over £570 million a year to deliver agreed levels of further and higher education. In [Scotland's colleges 2018](#)  we reported that the

financial health of the sector had improved, but that colleges face financial pressures from the additional costs of national bargaining, estate maintenance costs and the potential loss of EU funding. Last year colleges were forecasting that their annual expenditure will increase faster than income, potentially leading to a growing financial deficit across the sector over the next six years.

The financial health of the college sector along with student participation in college courses and student outcomes will continue to be central to our audit work this year.

## What is the scope of the audit?

The 2019 audit will build on last year's report published in June 2018. In this year's overview, we will:

- review the financial position of the sector and assess how well colleges manage their finances
- assess how colleges performed over the past year
- consider how colleges are positioned to meet their future challenges.

## How will we carry out this audit?

We will draw information from colleges' annual accounts and audit reports. We will also use information held by organisations including individual colleges, the Scottish Funding Council and the Scottish Government. We will engage with relevant stakeholders across the sector, including college and student representative bodies.

## What impact will the audit have?

Our report will provide an update on the financial position of Scotland's colleges, and on trends in student participation (including student attainment and retention). These two areas have been of significant public interest.

The 2019 overview will give a comprehensive picture of performance against the Scottish Government's national target for learning activity.

We will also highlight any future challenges the sector faces. Based on this, we will make recommendations for colleges, the Scottish Funding Council and the Scottish Government, to support the ongoing performance and financial sustainability of the sector.

## Audit timetable

We aim to publish our report in early summer 2019. Following publication, the Auditor General for Scotland will present the findings to the Scottish Parliament's Public Audit and Post-Legislative Scrutiny Committee. This is one of a range of reports Audit Scotland plans to publish in 2019. Our full rolling work programme can be accessed at [www.audit-scotland.gov.uk/our-work/future-work/our-work-programme](http://www.audit-scotland.gov.uk/our-work/future-work/our-work-programme) .

## Contact

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