

Glasgow Kelvin College

Annual Report to the Board of Management and Principal on the Provision of Internal Audit Services for 2022/23

Internal Audit report No: 2023/10

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Annual Report and Opinion

Introduction

- 1.1 We were re-appointed in June 2019 as internal auditors of Glasgow Kelvin College ('the College') for the period 1 August 2019 to 31 July 2022 with the option to extend for a further 24 months thereafter at the discretion of the College, which has been invoked. This report summarises the internal audit work performed during 2022/23.
- 1.2 The contract extension took us beyond the Audit Needs Assessment (ANA) and Strategic Plan 2019 to 2022 (Report 2020/01, finalised 25 September 2019). However, it was agreed that a full ANA would not be undertaken at that time. The internal audit Annual Plan for 2022/23 was based on discussions with the Vice Principal Operations and Director of Estates and Corporate Services and was reviewed by other members of the College Senior Management Team; consideration of areas of higher risk and need from a review of the College's Strategic Risk Register; and a review of previous internal audit coverage.
- 1.3 The internal audit work undertaken in the year followed the agreed outputs set out in the approved Annual Plan for 2022/23.
- 1.4 The reports produced are listed in Section 2 of this report and a summary of results and conclusions from each assignment is given at Section 3.
- 1.5 An analysis of time spent against budget is at Section 4.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

- 1.6 The College has responsibility for maintaining effective internal audit activity. You have engaged us to provide an independent risk-based assurance and consultancy internal audit service. To help you assess that you are maintaining an effective internal audit activity we:
 - Confirm our independence;
 - Provide information about the year's activity and the work planned for next year in this report; and
 - Provide quality assurance through self-assessment and independent external review of our methodology and operating practices.
- 1.7 Self-assessment is undertaken through:
 - Our continuous improvement approach to our service. We will discuss any new developments with management throughout the year;
 - Ensuring compliance with best professional practice, in particular the PSIAS;
 - Annual confirmation from all staff that they comply with required ethical standards and remain independent of clients;
 - Internal review of each assignment to confirm application of our methodology which is summarised in our internal audit manual; and
 - Annual completion of a checklist to confirm PSIAS compliance.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements (continued)

- 1.8 External assessment is built into our firm-wide quality assurance procedures. Henderson Loggie LLP is a member of Prime Global, a global association of independent accountancy firms. Continued membership of Prime Global is dependent on maintaining a high level of quality and adhering to accounting and auditing standards in the provision of our services. Annual quality reviews are conducted to confirm our continuing achievement of this quality. The independent review conducted in March 2019, when we were part of the MHA network, included our internal audit service. Overall, the review confirmed that the firm's policies and procedures relating to internal audit were compliant with the PSIAS in all material respects.
- 1.9 In the intervening years between formal external assessment against PSIAS, we conduct our own self-assessment annually. The result of our latest self-assessment, conducted in May 2023, confirms that our service is independent of the College and continues to comply with the PSIAS.

Significant Issues

- 1.10 All work conducted in 2022/23 assessed systems as 'Good', or provided an unqualified audit opinion on College returns, and there were therefore no significant issues identifying major internal control weaknesses arising from our internal audit work. In general, procedures were operating well in the areas selected, but a few areas for further strengthening were identified and action plans have been agreed to address these issues.

Opinion

- 1.11 In our opinion, the College has adequate and effective arrangements for risk management, control, and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2022/23 and in previous years since our initial appointment.



Reports submitted

Number	Title	Overall Grade	Recommendations	Priority 1	Priority 2	Priority 3
2023/01	Annual Plan 2022/23	N/A	-	-	-	-
2023/02	Environmental Sustainability	Good	4	-	-	4
2023/03	Cyber Security	Good	4	-	-	4
2023/04	Payroll	Good	-	-	-	-
2023/05	Budgetary Control / Financial Planning	Good	-	-	-	-
2023/06	Health and Safety	Good	-	-	-	-
2023/07	Follow Up	N/A	1 recommendation required further action	-	-	1
2023/08	2022/23 Student Activity Data	Audit opinion unqualified	2	-	-	2
2023/09	2022/23 Student Support Funds	FE – unqualified HE – unqualified but observation made EMA – unqualified	-	-	-	-



Overall gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Recommendation grades are defined as follows:

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit and Risk Committee.
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.



Summary of Results and Conclusions

2023/01 – Internal Audit Annual Plan 2022/23

Final Issued – November 2022

The purpose of this document was to present for consideration by the Audit and Risk Committee the annual operating plan for the year ending 31 July 2023. The plan was based on discussions with the Vice Principal Operations and Director of Estates and Corporate Services and consideration by other members of the College Senior Management Team, consideration of areas of higher risk and need from a review of the College's Strategic Risk Register and a review of previous internal audit coverage.



2023/02 – Environmental Sustainability

This audit included a review of the College's current position with regard to its strategic plans and operational arrangements to ensure compliance with the Climate Change (Scotland) Act 2009 as amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.

The table opposite notes each separate objective for this review and records the results.

Strengths

- The College had signed up to the Scottish Colleges' 'Statement of Commitment on Climate Emergency', which included a climate change roadmap for Further Education colleges. The College was also a signatory of the Race to Zero Commitment for Colleges and Universities.
- The Estates and Sustainability Strategy, supported by the College's Climate Change Action Plan, the United Nations Sustainable Development Goals Action Plan and Race to Zero Action Plan, provided a high-level road map of intended direction and strategic objectives in relation to environmental sustainability, which included the provision, operation and development of resources and services.
- The College was required to submit Climate Change Action Plans and report on carbon emissions to the Scottish Government annually. The College was fully compliant with the reporting requirements specified in the Climate Change (Scotland) Act 2009.
- The College had recruited a dedicated Environmental Sustainability Manager, demonstrating its commitment to addressing climate change and sustainability challenges.
- The College had clearly articulated its sustainability ambitions and objectives in the Strategic Plan which was supported by the Estates and Sustainability Strategy.
- The College had implemented a range of sustainable practices relating to waste management, travel and energy reduction.
- We noted evidence of embedding sustainability within courses and teaching practices.
- In 2021/22, carbon emissions at the College reduced by 12% compared with 2020/21 figures, and fell by 60% since the baseline year of 2014/15.

Final Issued – February 2023

The specific objectives of this audit were to obtain reasonable assurance that:	
1. The College has established the carbon baseline position and has set out and communicated the climate change aspirations for the College.	Good
2. Roles and responsibilities around climate change action and environmental sustainability have been clearly articulated.	Satisfactory
3. There are appropriate targets, actions and milestones in place to demonstrate the steps the College is taking to contribute to climate change mitigation and to climate change adaptation, and to act sustainably.	Good
4. There are appropriate arrangements in place to update the Board on the progress being made to deliver on actions around climate change and sustainability.	Good
Overall Level of Assurance	Good



2023/02 – Environmental Sustainability (Continued)

Opportunities for Improvement

No significant weaknesses were identified during our review. Several opportunities for enhancing existing practices were included within our report, including:

- In order to drive optimal benefit, from the work already completed, we identified an opportunity for the College to further leverage the available resources to progress the sustainability and carbon management agenda going forward. Therefore, we recommended that the College established a network of Sustainability Champions who could help share good practice and help staff become aware of initiatives happening within the College or wider sector etc;
- There should be a clear link between the Estates and Sustainability Strategy and the other strategies of the College. From our review of a sample of College strategies we found that there was not an obvious or clear link between these strategies and the Estates and Sustainability Strategy, with most strategies silent on sustainability. To ensure that sustainability was embedded within the whole College, its strategies should be aligned and take cognisance of the Estates and Sustainability Strategy;
- The College had installed a Building Energy Management System (BEMS) – installed by Mitie Energy several years ago. The BEMS allowed reporting of energy usage across the College estate. During our audit discussions we noted weaknesses in the BEMS in that it wasn't reporting all of the data that the College required for monitoring energy consumption. We recommended that adequate training was provided to Estates and Facilities staff on how to optimally configure the BEMS to allow the College to collect, interpret and report appropriate data on energy consumption; and
- From our review of the covering reports presented to the Board and Sub-Committees, we found that these did not include a section on the assessment of the impact of the report subject matter on climate change and environmental sustainability. We recommended that going forward the College included a section on the covering paper to the reports being presented at the Board / Sub-Committee meetings relating to an assessment of the climate impact of the activity being reported. This would help focus people's minds on sustainability and carbon emissions.

2023/03 – Cyber Security

This audit included a review of the College's current position with regard to information and cyber security in order to advise on areas that should be addressed in line with the latest guidance produced by the National Cyber Security Centre (NCSC), the UK Government's national technical authority for information assurance.

The table opposite notes the objective for this review and records the results.

Strengths

Throughout our review we observed examples of good practice, and we welcomed the willingness of staff to assist our review and to seek ways to improve security within the organisation. We concluded that, overall, the College exhibited a strong awareness of cyber security risks and impacts, and that the control environment demonstrated good practice with many of the expected cyber security controls, for an organisation of this size and complexity. These included:

- a risk management regime had been established, which included identifying information / cyber security as key strategic risks, and there were structures in place which acted as appropriate bodies for evaluating and monitoring information security risks within the College.
- regular security reviews were conducted of the College ICT environment which included vulnerability scans of the firewall and internal network to identify vulnerabilities and exploits.
- a baseline security build for workstations, servers, firewalls, and routers was in place.
- hardware and software inventories had been created.
- processes were in place for applying updates and patches to all devices connected to the network.
- the ICT architecture protected the network through use of firewalls and segregation prevented direct connections to untrusted external services and protected internal IP addresses.
- management of user accounts was linked to the organisation's starter, leaver and change of role procedures.

Final Issued – February 2023

The objective of our audit was to obtain reasonable assurance that:	
1. The internal controls in place which ensure that the security of the ICT network, the configuration of key elements of ICT infrastructure which protect access to data, plus the policy and procedures giving guidance as to how security should be managed by both the ICT department and users is in line with the NCSC 10 Steps to Cyber Security guidance.	Good
Overall Level of Assurance	Good



Report No 2023/03 – Cyber Security (*Continued*)

Strengths (Continued)

- administrator access to network components was carried out over dedicated network infrastructure and secure channels using communication protocols that supported encryption.
- data in transit was protected through encryption and secure communication channels.
- network hardware / endpoints were protected by an antivirus solution, which automatically scanned for malware.
- good practice controls in user authentication were being maintained which supported remote working for users whilst maintaining the security of the ICT infrastructure.
- The College subscribed to HE/FE Shared Technology & Information Services (HEFESTIS) which provided the College with access to information security expertise and advice and guidance on the latest cyber threats and development of policies and procedures.

Opportunities for Improvement

Using the latest guidance available from the NCSC we identified opportunities where controls could be strengthened. Implementation of the recommendations raised would reduce the organisation's current risk position and would enhance the organisation's ability to manage cyber security risks on an on-going basis.

2023/04 - Payroll

This audit considered the key internal controls in place over the College's spend on staff costs of approximately £25m per annum. Our audit covered the procedures in place within both the HR and Payroll / Finance teams.

The table opposite notes each separate objective for this review and records the results.

Strengths

- Payroll responsibilities were clearly defined in the Financial Regulations (October 2021).
- There were documented payroll procedures available to Payroll staff which detailed all processes that must be completed as part of the payroll process.
- The College had an integrated HR and payroll system which was segregated, meaning that HR staff could only amend HR records and Payroll staff could only amend payroll records.
- From our sample testing we confirmed that all gross pay and deductions had been correctly calculated, with salaries, rates and non-statutory deductions agreed to supporting data held in the HR / payroll system.
- Lecturers on fixed term contracts and part-time staff who worked additional hours submitted weekly timesheets for periods they had undertaken work through an online portal, which required authorisation from both an appropriate line manager and Payroll staff prior to processing for payment. Sample testing confirmed that this process operated in all cases with correct payments made and no issues noted.
- Expenses claims were made via an in-house system and must be authorised by both a line manager and member of Payroll staff prior to processing to ensure that correct evidence had been provided. Sample testing showed no issues in this area.
- Changes to employee standing data were made through a self-service portal, allowing employees to make changes to key information as required. This was reviewed by Payroll staff prior to being amended on the payroll system, with calls arranged to verify accuracy for changes to bank details as evidenced in our sample testing.
- Sample testing of starters and leavers showed that appropriate paperwork was in place for sampled employees and that employees had entered and left the HR / payroll system on the correct dates.

Final Issued – May 2023

The objective of our audit was to obtain reasonable assurance that systems are sufficient to ensure:	
1. Correct calculation of gross pay and deductions	Good
2. Correct calculation of employer national insurance and superannuation contributions;	Good
3. Part-time staff, overtime and travel & subsistence payments are properly authorised	Good
4. Approval and checking of changes to employee standing data	Good
5. Starters and leavers are properly treated and enter and leave the system at the correct dates	Good
6. Proper authorisation, processing and recording of payments	Good
Overall Level of Assurance	Good

2023/04 – Payroll (Continued)

Strengths (Continued)

- Payroll staff utilised comprehensive exception and variance reporting capabilities of the integrated HR / payroll system to monitor and investigate any significant variances to the prior month's payroll; and
- There was appropriate authorisation, processing and recording of all payroll-related payments tested.

Weaknesses

- No weaknesses were identified during our review.

2023/05 – Budgetary Control / Financial Planning

This audit reviewed the College's long-term financial planning arrangements and budgetary control practices and protocols, to consider whether these are in line with good practice. This included consideration of budget monitoring procedures in place centrally and within a sample of Faculties and Support Teams.

The table opposite notes each separate objective for this review and records the results.

Strengths

- Version 1.0 of the College Operating Plan 2022/23 – 2026/27 was presented to the Board of Management (BoM) meeting on 10 October 2022;
- A College Operating Plan Update paper was submitted to the 12 December 2022 meeting of the BOM. This paper highlighted some significant changes which had happened since the initial version 1.0 had been produced. Some of these changes were positive and some negative but the overall impact reported in December 2022 was a positive one;
- The College Operating Plan was developed collaboratively and our discussions with budget holders in both academic and non-academic areas confirmed that the challenging financial position had been outlined to managers in the summer of 2022 and that there had been ongoing dialogue regarding the need to revise operational plans in 2022 following the publication of the new Glasgow Kelvin College Strategy 2022 – 2027 in January 2022;
- The College Operating Plan set out the wider economic context, the financial position of the College (and the Arm's Length Foundation), the need for a radical change management approach across the College, and a detailed Operating Plan showing the Objectives, Actions and Targets required to achieve the required financial position in the future;
- The document clearly demonstrated alignment of College Strategic Ambitions (SAs) and Strategic Priorities (SPs) with College Operating Plan (COP) Targets and Faculty / Department Operational Plans (F/DOPs);
- A summary of Income, Expenditure and the Underlying Cash result was also provided to provide absolute transparency regarding the forecast position for the next five years;

Final Issued – May 2023

The objectives of the audit were to ensure that:	
1. the College has developed a long-term financial strategy, which includes long-term financial forecasts	Good
2. assumptions used in the financial forecasting returns submitted to the Glasgow Colleges' Regional Board (GCRB) and SFC are robust, realistic and applied consistently. Any departure from the SFC guidance on common sector assumptions is justified to the Board, GCRB and the SFC	Good
3. budgets are controlled in accordance with the Financial Regulations and Procedures	Good
4. budget setting is linked to corporate and operational planning processes and budgets are revisited when plans change or funding targets are not achieved	Good
5. information is available to management in Faculties and Support Teams which is up-to-date and in a format that can be easily understood	Good
6. budget holders have the necessary skills for managing budgets	Good
7. budget variations are reported and acted upon	Good
8. there is accurate cash flow reporting	Good
9. senior management and the Board regularly review the College's overall financial position.	Good
Overall Level of Assurance	Good

2023/05 – Budgetary Control / Financial Planning (Continued)

Strengths (Continued)

- It was our view that the approach taken by the College was an exemplar approach in terms of generating a long term financial strategy which demonstrated the impact on strategic and operational priorities, whilst clearly setting out the action required across the College to achieve the financial results required to achieve a viable operating model which fitted with forecast resource constraints;
- A calculation had been conducted and our review of this “FT analysis” confirmed that this was a comprehensive spreadsheet model which calculated the maximum number of classes which will be allowed to run in academic session 2023/24. A working group was convened to examine the FT analysis and the document had been shared with the trade unions;
- The financial forecast returns (FFRs) submitted to the SFC in 2022 reflected the assumptions provided by the SFC, while the College Operating Plan adopted the assumptions generated by the Director of Finance Group, where these were deemed to provide a more meaningful basis for forecasting;
- The College Operating Plan had been developed in collaboration with the Finance and Resources Director in GCRB and we were advised that a good working relationship had been developed which allowed open dialogue around the assumptions built into the financial modelling;
- A Management Accounts timetable was in place, which was updated following the appointment of the Vice Principal Operations. The responsibility of budget holders was clearly set out and this was reinforced through the ongoing engagement with Finance staff through the business partnering model;
- An annual Budget timetable was also in place which set out the timelines for completion of the steps required to prepare the draft Annual Budget, including engagement with stakeholders;
- The positive impact of the Monthly Finance meetings, which were chaired by the Vice Principal Operations, was highlighted by budget holders. These meetings provided the opportunity to discuss what was changing and what needed to be done to collectively react to these changes. This ensured that budget holders had a much wider view of the financial position across the College and no longer viewed the position with a “silo mentality”;

2023/05 – Budgetary Control / Financial Planning (Continued)

Strengths (Continued)

- It was apparent from our discussions with senior management and budget holders that there was now a collective understanding of the financial challenges facing the College and a shared commitment to delivering the changes required to achieve the targets set out in the Operating Plan. This had been achieved through the trust placed in staff, in sharing the Operating Plan with them confidentially, and in communicating effectively the responsibility of all budget holders to work together to deliver the change required;
- Both of the budget holders interviewed were very positive regarding their engagement with Finance. It was highlighted that these discussions were not focused solely on exploring any significant variances between YTD budget and YTD actuals but also allowed for open and frank discussions around funding for investment;
- There was a specific section on cash flow within the Finance report produced by the Vice Principal Operations and the Head of Finance for the Finance and Resources Committee. The cash budget for priorities was shown as part of the overall analysis of income and expenditure in order to arrive at an Adjusted Operating Result (AOR);
- The Finance reports submitted to Committee and the Board were extremely comprehensive and set out the summary position, the quarterly forecast, the latest management accounts, the bad debt position, the student funds position, a procurement update, VAT recovery progress and the cashflow position; and
- In conducting this review it was clear that there had been a concerted effort to be as transparent as possible in reporting the financial challenges facing the College and the steps required to achieve a more financially stable position. This had included transparency in reporting to staff, students and trade unions, which had allowed a shared understanding to be developed.

Weaknesses

- No weaknesses were identified during our review.

2023/06 – Health and Safety

This audit reviewed the arrangements in place within the College to deal with Health and Safety (H&S) issues.

The table opposite notes each separate objective for this review and records the results.

Strengths

- An up-to-date Health and Safety Policy was in place covering the key regulatory and legislative areas;
- The Health and Safety Policy was reviewed by the Principal, the Health and Safety Committee, and the Board;
- A hazard identification procedure was in place for process owners to assess where issues can arise, and this established the need for a risk assessment;
- Formal risk assessment processes were in place to ensure the risks associated with an activity were sufficiently documented, together with their mitigants;
- All risk assessment documentation was accessible via the WorkRite, to which all members of staff had access;
- Students were provided with risk assessment documentation by the process owners prior to engaging in the activity.
- Staff health and safety inductions were completed for all staff by the Health and Safety Manager, including a demonstration of the WorkRite system;
- Students were briefed on health and safety at the beginning of each year/ term.
- Refresher training was in place for any changes in regulations and / or legislation which took place, the need for which was reviewed regularly by the Health and Safety Manager;
- eLearning modules were available through the Workrite system for specific disciplines and more general health and safety processes;
- Internal audits were undertaken regularly by the Health and Safety Manager;
- Monitoring of actions arising from both internal and external audits was undertaken by the Health and Safety Manager, with regular follow up in place;
- A COSHH audit was completed by an external organisation in 2022, with recommendations actioned and monitored by the Health and Safety Manager;

Final Issued – May 2023

The objective of the audit was to obtain reasonable assurance that:	
1. A H&S policy and documented procedures which are communicated to all staff is in place.	Good
2. A formal risk identification and assessment process is in place.	Good
3. A H&S training programme for staff and students is in place which includes induction training, refresher training and training for new equipment or legislation.	Good
4. Regular monitoring of H&S systems to ensure that they are functioning effectively including H&S audits, carried out either internally or by external agencies such as the Health and Safety Executive.	Good
5. An incident and accident recording system with follow-up and implementation of new controls where required.	Good
6. Regular reporting of H&S to senior management and to the Board.	Good
Overall Level of Assurance	Good



2023/06 – Health and Safety (Continued)

Strengths (Continued)

- No recent formal audit had been undertaken by the Health and Safety Executive (HSE);
- Incident reporting processes were in place, with review of documentation undertaken by the Health and Safety Manager to ensure that it remained sufficient for reporting purposes;
- Incident and accident processes also incorporated the reporting of near misses to help mitigate the risk of an accident in the future;
- From a sample of incident reports inspected, all documentation was noted as being complete;
- The Health and Safety Manager had weekly meetings with the Principal to discuss health and safety matters;
- There were six Health and Safety Committees per academic year, which were attended by senior managers and members of the Board of Management; and
- The Health and Safety Manager reported formally to the Finance & Resource Committee three times per academic year, and to the Board on an annual basis.

Weaknesses

- There were no weaknesses arising from our review.

Report No 2023/07 – Follow Up Review

Final Issued – August 2023

As part of the Internal Audit programme at the College for 2022/23 we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2021/22 and reports from earlier years that had either not already been subject to follow-up or where previous follow-up identified recommendations outstanding. These were:

- Internal Audit Report 2022/03 – Publicity and Communications;
- Internal Audit Report 2022/05 – Estates Strategy & Capital Projects;
- Internal Audit Report 2022/08 – Follow-Up Reviews 2021/22;
- Internal Audit Report 2022/10 – Asset and Fleet Management; and
- Internal Audit Report 2022/11 – 2021/22 Student Activity Data.

Reports 2022/01 – Annual Plan, 2022/02 – Student Support, 2022/04 – Data Protection, 2022/06 – Performance Reporting / KPIs, 2022/07 – Quality Assurance, 2022/09 – Annual Report and 2022/12 – 2021/22 Student Support Funds did not contain an action plan and therefore no follow-up activity was required for these specific reports as part of our review.

The objective of our follow-up review was to assess whether recommendations made in previous reports had been appropriately implemented and to ensure that, where little or no progress had been made towards implementation, that plans were in place to progress them.

The College had made excellent progress in implementing the recommendations followed-up as part of our review, with overall 18 (95%) of the 19 recommendations followed-up being assessed as 'fully implemented'. One recommendation was assessed as 'partially implemented'.



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2023/07 – Follow-Up Reviews (Continued)

Our findings from each of the follow-up reviews has been summarised below:

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implem- -ented	Partially Implem- -ented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2022/03 - Publicity and Communications	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	1	-	-	-	-
Total		1	1	-	-	-	-
2022/05 - Estates Strategy & Capital Projects	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	2	-	-	-	-
Total		2	2	-	-	-	-
2022/08 – Follow-Up Reviews 2021/22	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	8	7	1	-	-	-
Total		9	8	1	-	-	-
2022/10 - Asset and Fleet Management	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	5	5	-	-	-	-
Total		5	5	-	-	-	-
2022/11 - Student Activity Data 2021/22	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	2	-	-	-	-
Total		2	2	-	-	-	-
Grand Totals		19	18	1	-	-	-



2023/08 – 2022/23 Student Activity Data

Final Issued – November 2023

In accordance with the Credits Audit Guidance, we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Price Group.

Our testing was designed to cover the key risk areas identified at Annex C to Credits Audit Guidance.

Our report was submitted to the SFC on 16 October 2023. We reported that, in our opinion:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- we can provide reasonable assurance that the FES return is free from material misstatements.

We identified two Priority 3 recommendations from our audit testing for 2022/23. The first recommendation related to ensuring that work-based learning students (who were not continuing to participate in their agreed programme) were identified on a timely basis to ensure that they were removed from the Credits claim as appropriate. The second recommendation related to ensuring that Credits for non-accredited work placement units were calculated in line with the College's procedures, which reflects the SFC Credits guidance.

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2023/09 – 2022/23 Student Support Funds

Final Issued – November 2023

For the 2022/23 academic year three specific fund statements were required for audit:

- Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return;
- Higher Education Discretionary and Childcare Fund; and
- Education Maintenance Allowance Return.

We were able to certify all fund statements for the year and submit these to the appropriate bodies, without reservation.

In our covering letter to SAAS, enclosing the audited Higher Education Discretionary and Childcare Fund Return, we noted one observation arising from our audit work. The College does not operate a separate interest-bearing bank account for the Higher Education Discretionary Fund and all transactions are processed through the College's main bank account. The College uses the Government banking service for all of its financial transactions, on instruction from the Scottish Funding Council, and this account does not pay interest.

Time Spent – Budget v Actual 2022/23

	Report number	Planned days	Actual days feed	Days to fee at Nov 2023	Days to spend / WIP	Variance
Reputation						
<i>Health and Safety</i>	2023/06	5	5	-	-	-
Staffing Issues						
<i>Payroll</i>	2023/04	4	4	-	-	-
Financial Issues						
<i>Budgetary Control / Financial Reporting</i>	2023/05	5	5	-	-	-
Organisational Issues						
<i>Environmental Sustainability</i>	2023/02	4	4	-	-	-
Information and IT						
<i>Cyber Security</i>	2023/03	5	5	-	-	-
Other Audit Activities						
Credits Audit	2023/08	6	-	6	-	-
Bursary, Childcare and Hardship Funds Audit	2023/09	6	-	6	-	-
Management and Planning)	2023/01 & 2023/10	4	3	1	-	-
External audit / SFC)						
Attendance at Audit and Risk Committee)						
Follow-up reviews	2023/07	3	3	-	-	-
Total		42	29	13	-	-
		=====	=====	=====	=====	=====



Operational Plan for 2023/24

- 6.1 The annual internal audit operational plan would normally be based on a comprehensive Audit Needs Assessment (ANA) and three-year Strategic Plan, which would be prepared following discussion with Board members and managers throughout the College. Given that the College has invoked a two-year contract extension, which takes us beyond the ANA and Strategic Plan 2019 to 2022 (Report 2020/01, finalised in September 2019) it was agreed that a full ANA should not be undertaken at this time.
- 6.2 The operational plan for the year ended 31 July 2024 below was based on discussions with the Vice Principal Operations and Director of Estates and Corporate Services and consideration by other members of the College Senior Management Team, consideration of areas of higher risk and need from a review of the College's Strategic Risk Register and a review of previous internal audit coverage.

Proposed Allocation of Audit Days

	Category	Priority	Planned 23/24 Days
Reputation			
Publicity and Communications	Gov	M	
Health and Safety	Gov	M	
Student Experience			
Curriculum planning	Perf	M	4
Quality assurance	Perf	M	
Student support	Perf	M	
Student recruitment and retention	Fin/Perf	H	
Student Engagement / Students' Association	Gov	M	
Staffing Issues			
Staff recruitment and retention	Perf	H	
Staff development	Perf	M	4
Sickness absence	Perf	M	
Workforce planning	Perf	M	
Payroll	Fin	L/M	
Estates and Facilities			
Building maintenance	Fin/Perf	M/H	
Estates strategy / capital projects	Fin/Perf	M	
Space management	Perf	M	
Asset / fleet management	Perf	M/H	
Facilities Operations	Perf	M	
Financial Issues			
Budgetary control)	Fin	M	
Financial planning)	Fin	M	
Student fees and contracts / registry	Fin	M	5
General ledger	Fin	L/M	
Procurement and creditors / purchasing	Fin	M	
Debtors/ Income	Fin	L/M	
Cash & Bank / Treasury management	Fin	M	
Fraud prevention, detection and response	Fin	M	
Commercial Issues			
Business Development	Fin/Perf	M	

Proposed Allocation of Audit Days (continued)

	Category	Priority	Planned 23/24 Days
Organisational Issues			
<i>Risk Management</i>	Perf	M	4
<i>Business Continuity</i>	Perf	M	
<i>Corporate Governance</i>	Gov	L/M	
<i>Corporate Planning</i>	Perf	L/M	4
<i>Performance reporting / KPIs</i>	Perf	M	
<i>Partnership Working</i>	Gov/Perf	L	
<i>Equalities</i>	Gov	M	
<i>Environmental Sustainability</i>	Gov/Perf	M/H	
Information and IT			
<i>IT network arrangements</i>	Perf	M	
<i>Cyber Security</i>	Perf	M	
<i>Data protection</i>	Gov	M	
<i>FOI</i>	Gov	L	
<i>Systems development / implementation</i>	Perf	M	5
<i>IT strategy</i>	Perf	M	
Other Audit Activities			
Credits audit		Required	6
Bursary, Childcare and Hardship Funds		Required	6
Management and Planning)			4
External audit / SFC)			
Attendance at Audit & Risk Committee)			
Follow-up reviews		Various	3
ANA and Strategic Plan			
			45
Total			=====

Key

Category: Gov – Governance; Perf – Performance; Fin – Financial



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