

Glasgow Kelvin College

Annual Report to the Board of Management and Principal on the Provision of Internal Audit Services for 2021/22

Internal Audit report No: 2022/09

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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. This report summarises the internal audit work performed during 2021/22.
- 1.2 An updated Audit Needs Assessment (ANA), based on the areas of risk that the College is exposed to, was prepared as part of our internal audit programme for 2019/20. The ANA was prepared following discussion with the Vice Principal (Corporate Services) and from a review of various College documents. The ANA was based on the College's risk register supplemented by our own assessment of the risks faced by the College. Following on from the ANA a Strategic Plan was formulated, covering the three-year internal audit cycle from 2019/20 to 2021/22 (internal audit report 2020/01, finalised in September 2019), and this was approved by the Audit and Risk Committee at its meeting on 17 September 2019.
- 1.3 The internal audit work undertaken in the year followed the agreed outputs set out in the Annual Plan for 2021/22.
- 1.4 The reports produced as part of the 2021/22 audit plan 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 an 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 in May 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 by MHA Macintyre Hudson in March 2019 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 2022, confirms that our service is independent of the College and continues to comply with the PSIAS.

Significant Issues

- 1.10 All work conducted in 2021/22 assessed systems as either 'Good' or 'Satisfactory', 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 2021/22 and in previous years since our initial appointment.

Reports submitted

Number	Title	Overall Grade	Recommendations	Priority 1	Priority 2	Priority 3
2022/01	Annual Plan 2021/22	N/A	-	-	-	-
2022/02	Student Support	Good	-	-	-	-
2022/03	Publicity & Comms	Good	1	-	-	1
2022/04	Data Protection	Good	-	-	-	-
2022/05	Estates Strategy Capital Projects	Satisfactory	2	-	-	2
2022/06	Performance Reporting – KPIs	Good	-	-	-	-
2022/07	Quality Assurance	Good	-	-	-	-
2022/08	Follow Up	N/A	9 recommendations required further action	-	1	8
2022/10	Asset and Fleet Management	Satisfactory	5	-	-	5
2022/11	2021/22 Student Activity Data	N/A	2	-	-	2
2022/12	Student Support Funds	N/A	2	-	-	2

Annual Internal Audit Report 2021/22

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

2021/01 – Annual Plan 2021/22

Final Issued – September 2021

The purpose of this document was to present for consideration by management and the Audit and Risk Committee the annual operating plan for the year ended 31 July 2022. The plan was based on the proposed allocation of audit days for 2021/22 set out in the Audit Needs Assessment and Strategic Plan 2021 to 2024, which was presented to the Audit and Risk Committee and approved at its meeting on 17 September 2019.

The audit specifically considered the adequacy and effectiveness of the processes and procedures for managing and controlling student recruitment and retention, covering the role of Student Services, Marketing, Student Records, and Curriculum Areas.

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

Strengths

- Work is being progressed within the College to support the student experience and deliver positive outcomes in the learning environment. The COVID-19 pandemic has required staff to adapt their delivery of academic content online and support staff have implemented new ways to orientate students at induction and support their enrolment into the College community;
- Student enrolment and induction ultimately remained unchanged. Ensuring staff and student safety during the pandemic has been prioritised, with processes around enrolment and induction that traditionally required face to face meetings were adapted to be hosted online;
- Student support services and the Students' Association have worked closely to align their schedule of activities to coincide with key events and ensuring messaging around support is consistent;
- Partnership working has also continued ensuring that individuals, such as students who are Care Experienced get the support they need from application;
- Funding options for individuals experiencing hardship and digital exclusion are established, and the College has utilised SFC funding to make available laptops and Wi-Fi dongles to students in need of access to IT equipment;
- Academic review of attendance and student engagement also allows students to be identified who are struggling academically. Through class tutors, study plans are developed, or the student can be referred to Learning Support for additional support needs;
- Despite national COVID-19 restrictions, all student support services have remained open, both remotely and with an 'on campus' presence, albeit at a reduced level;
- The College has ensured there is online guidance around wellbeing and access to Library Services for students who cannot study from home. Access to other support teams, such as Advice, Guidance, Learner Support, counselling and wellbeing support has also been maintained;

The objective of this audit was to obtain reasonable assurance that students are:	
1. Orientated appropriately at the beginning of the year	Good
2. Identified and provided with support if struggling financially.	Good
3. Identified and provided with support if struggling academically.	Good
4. Given adequate if they have a disability,	Good
5. Made to feel part of the College community,	Good
Overall Level of Assurance	Good



2022/02 – Student Support (Continued)

Strengths (Continued)

- There is regular oversight of student support service arrangements by the Learning and Teaching Committee; and
- The Student Advice, Guidance and Learner Support teams being brought together into a single service located alongside the Library Service. This integrated approach will improve information sharing and provide students with a more efficient support service.

Weaknesses

No significant weaknesses were identified during our review.

Report No 2022/03 – Publicity and Communications

This audit focussed on the systems in place within the College for the management of positive and negative publicity externally, and internal communication.

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

Strengths

- An External Communications Strategy and a separate Internal Communications Strategy are in place which cover both positive and negative publicity. Both strategies are now being reviewed and will be aligned under a new framework which is linked to the recently refreshed College Strategic Plan;
- Responsible staff are assigned to undertake internal and external key communications activities;
- Social Media Guidelines have been developed to provide staff with a detailed framework in relation to digital activity (both in and out of the workplace);
- A range of internal and external communication channels are being utilised by the College including emails, external mailings; face-to-face presentations, social media; video displays; Microsoft Teams, the College intranet and website, and the MyKelvin application for student communications; The College is actively involved in a range of events aimed at promoting a positive image. This includes participating at locally organised events, attending networking events, organising campus and departmental open days and hosting industry and employer engagement events, although opportunities for such events have been limited during the Covid pandemic.
- An internal Communications Forum has been established within the College which provides a mechanism for identifying and sharing positive news stories, and a range of activities are undertaken to support internal communications and to support joint working between campuses and between curriculum teams and support departments;
- In recent years there has been increased collaboration across the Glasgow Region in relation to communications, through the formation of the Marketing and Communications Steering Group, which is led by the Glasgow Colleges' Regional Board

Final Issued – May 2022

Overall grade: Satisfactory

The objective of this audit was to obtain reasonable assurance that:	
1. Policies, procedures and systems in place assist the College to maximise the benefits from positive publicity and effectively manage negative publicity, reducing the potential risk of damage to the College's reputation.	Good
2. Appropriate strategies, procedures, ICT and other systems are in place to assist and encourage internal communication and joint working between campuses and Academic Faculties / Support Services	Good
Overall Level of Assurance	Good



Report No 2022/03 – Publicity and Communications (Continued)

Weaknesses

- We noted that PDP completion rates in the last three years have been very low at less than 25% for both lecturing and support staff. The Organisational Development Committee has already set an objective for these rates to be increased. The impact of the pandemic has also been taken into account by the College in the last two years and therefore PDP expectations have been relaxed. The College is in the process of moving PDP records from a mainly manual system, using Microsoft word, to iTrent. No recommendations have been raised in our report given the action already being undertaken by the College.

Report No 2022/04 – Data Protection

This audit reviewed the systems of internal control in place within the College in relation to commercial income generating activities, education contracts, and other income. In addition, debt management and recovery procedures were also reviewed.

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

Strengths

- The College has established a robust data protection compliance framework, which includes a mandatory programme of training for all staff supported by a suite of policies, procedures, guidance, privacy notices, information asset register, data breach and Subject Access Request reporting monitoring arrangements; a privacy network comprising data protection champions; and mechanisms for identifying and assessing data protection risks.
- An internal data protection team is in place with a College appointed Regulations and Compliance Manager responsible for all operational aspects of data protection (who is supported by an external DPO accessed through HEFESTIS); and
- Governance structures are in place to maintain oversight of data protection compliance across the organisation and these arrangements are working effectively.

Weaknesses

- No significant weaknesses were identified during our review.

Final Issued – May 2022

Overall grade: Good

The objective of this audit was to obtain reasonable assurance that:	
1. Appropriate action has been taken by the College to assess compliance with data protection legislation through a self-evaluation exercise which assesses the strength of the data protection framework developed and the extent to which this framework has been in embedded within operational processes.	Good
2. Adequate procedures are in place for the ongoing monitoring of compliance with data protection legislation across the organisation which are sufficiently well developed to inform reporting to senior management and to the Audit and Risk Committee going forward.	Good
Overall Level of Assurance	Good

Report No 2022/05 – Estates Strategy & Capital Projects

This audit reviewed the policies and procedures in place for the planning, control and monitoring of capital projects relating to the College estate.

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

Strengths

- The Estates and Sustainability Strategy links the estate needs and priorities from the College's Strategic Plan and other sub-strategies, such as People, Digital, Learning and Teaching and Assessment, and Financial Strategy;
- Backlog is based on the Scottish Funding Council's 'College Sector Estates Condition Survey' reported in December 2017. High priority backlog maintenance creates the plan for the year ahead, together with capacity allocations for lifecycle maintenance;
- The list of Estates Capital Projects and estimated costs are also provided by the Director of Corporate Services to the Senior Management Team for review in May each year before its review by the Finance and Resources Committee and submission to the Glasgow College Regional Board (GCRB) who review and provide funding in May each year. The College's annual budget planning process supports the appraisal of capital projects and timely submission to the GCRB;
- Residual funding gaps for the estates work can also be met by the College's Arm's Length Foundation (ALF). While funding submissions are highlighted to the Executive Committee (July 2021), management will use the funding as a last resort. This year, the planned funding from the ALF will not be required;
- Costs associated with the Capital Reinvestment Project have been reviewed and approved by the Board of Management in December 2021;

The College has established and documented its Risk Management Framework (December 2021). It sets out the Risk Management Committee as the main management group with responsibility for discussing operational risks and issues. The committee meets four times per year. It is Chaired by the Director of Corporate Services and is attended by members of the Senior Management Team. Within its standing agenda, updates are provided from Estates in relation to the Capital and Sustainability Updates;

Final Issued – August 2022

Overall grade: Satisfactory

The objective of this audit was to obtain reasonable assurance that:	
1. The Estates Strategy has been developed and aligned with key strategic priorities and takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy)	Good
2. The capital project identification and appraisal process, including the information provided to management and the Board of Management and its committees for decision making purposes	Good
3. Risk management and contingency planning on capital projects	Good
4. The selection and management of consultants and contractors, including the tendering process and performance management	Satisfactory
5. The monitoring of progress made on projects and expenditure against budget, by management and Board committees.	Good
Overall Level of Assurance	Satisfactory

Report No 2022/05 – Estates Strategy & Capital Projects (continued)

Strengths (continued)

- The College has established its College Risk Register that captures risks to it achieving its strategy. The Corporate Services Risk Register is also established to capture key strategic risks to the directorate. Several risks documented on these risk registers identify the Estates and Sustainability Strategy as a key control to risk mitigation, such as failure to improve the student experience;
- Procurement standards, delegated authority expenditure limits, and tender limits are documented within the College's Financial Regulations (October 2021). The College has also established its Procurement Procedures (January 2022) to detail how the College is to meet its legal obligations;
- A schedule of anticipated future procurement exercises is presented to Procurement to enable active engagement with Estates and the timely project management of procurement activity; and
- There is robust governance and reporting around the status of capital spend and progress of key projects. For example, Capital and Sustainability Progress reports are supplied by the Director of Corporate Services to the Estates and Sustainability Working Group, the regular operational Risk Management Committee, and the Finance and Resource Committee, and to the Board of Management as part of its standing agenda. Externally, progress reports are provided to the GCRB.

Weaknesses

- The Procurement Procedures and Financial Regulations should be updated to reflect current management, approvals, and legislation in relation to considering VAT in whole life contractual costs. They should also mirror each other to ensure guidance is consistent.
The Procurement Procedures are also not explicit on the reporting requirements to the committees and in line with the College's Financial Regulations.
- SSJ Forms should only be used in exceptional circumstances and should not be adopted as the norm. Estates management should ensure that good practice procurement processes are consistently applied based on the estimated cost of goods, services or works as described in the Procurement Procedures.

Report No 2022/06 – Performance Reporting & KPIs

The audit considered the format, content, and timeliness of management information, both financial and non-financial (although excluding an in-depth review of budget monitoring as this is covered separately as part of the internal audit programme), provided to senior management and to the Board.

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

Strengths

- The Board, committees and management have identified their information requirements and received information in a range of ways which those interviewed as part of our audit considered adequate for their needs.
- There was a good range of financial and non-financial reporting available, which management and the Board received.
- The College makes good use of management information system (MIS) and other business system data.
- Detailed management information dashboards are being developed and tailored performance reports are now available for senior staff and teams. Work to further develop dashboards is ongoing which will allow enhanced use of MIS data and tools.
- A five-year College Strategic Planning Framework 2022 – 2027 has been established, encompassing the overall College Strategy 2022 – 2027, seven supporting strategies, and integrating two new elements - Strategic Performance Metrics (Scorecard) and College Strategic Priority Mapping for monitoring success of the strategic objectives contained within the College Strategy 2022 – 2027.

Weaknesses

No significant weaknesses were identified during our review.

Final Issued – August 2022

Overall grade: Good

The objective of this audit was to obtain reasonable assurance that:	
1. The management information needs of users have been identified and the information provided meets those needs.	Good
2. Management information is clearly set out, easily accessible, accurate, provided on a timely basis and readily understood by users.	Good
3. Management information is available which: • reports on appropriate key performance indicators and, where applicable, on outputs, outcomes and impacts; • enables the impacts of key strategic and operational decisions to be measured; • assists in forecasting	Good
4. Processes are in place to provide and disseminate management information are efficient.	Good
5. The monitoring of progress made on projects and expenditure against budget, by management and Board committees.	Good
Overall Level of Assurance	Good

Report No 2022/07 – Quality Assurance

As part of the Internal Audit programme at the College for 2021/22, we carried out a review of the organisation's quality assurance arrangements.

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

Strengths

- The Head of Quality has operational responsibility for overseeing quality enhancement within the College, with responsibility devolved to individual Senior Curriculum Managers (SCMs) to maintain quality standards within their part of the College. A Quality Forum is in place which allows the Head of Quality to meet with the SCMs weekly with the discussion focused around a rolling workplan which is developed using a template applied for each academic year;
- During the Covid-19 pandemic the Scottish Qualifications Authority (SQA) introduced "special measures", with the Head of Quality assuming a key role in reviewing and interpreting the revised guidance and identifying the implications for the College. As a result of the revised SQA guidance new processes were documented to gather the evidence required to justify awards, with the Quality Forum playing an important role in developing documentation which met the SQA requirements in a way which could be consistently applied across the College;
- During 2021/22 the College has focused heavily on developing real time data which can be accessed by SCMs via the PowerBI platform. This is supplemented by timetabling and attendance management data captured on the CELCAT software;
- Tailored templates have been developed for PowerBI and although there remains a focus around the delivery of quality enhancement tasks; mid-block reviews and meetings to discuss quality, there is now a much greater focus around real time evaluation;
- We confirmed that the SCMs and CMs meet to discuss mid-term reviews. This provides an opportunity to examine the data and to decide whether any further reporting is required. Our discussions with individual curriculum areas confirmed that these changes have been well received by SCMs and CMs who previously had to extract and filter the information prior to any discussions around emerging issues and sensible mitigations;

Final Issued – August 2022

Overall grade: Good

The objective of this audit was to obtain reasonable assurance that:	
1. the College's quality procedures are being adhered to in key areas; and	Good
2. progress is being made with implementation of the actions identified on the College's Enhancement Plan.	Good
Overall Level of Assurance	Good



Report No 2022/07 – Quality Assurance (Continued)

Strengths (Continued)

- All SCMs were asked to meet with their teams four times during the academic year to discuss specific issues which are set out in an agreed fixed agenda. The student representatives also feed into this process to ensure meaningful student engagement in quality discussions. This is informed by the outcomes from student focus groups which allow individual classes to provide feedback;
- The reports arising from the focus groups are initially fed back through the relevant CM, then the SCMs and then ultimately to the Academic Board (where general themes are examined, with a focus on linkages to academic planning);
- Each year a Stop and Check questionnaire is issued in week six in block one, with over 1,000 responses received in academic year 2021/22 (which is marginally down on the prior year). The results from the Stop and Check Survey are distilled down into a report which also provides data on retention levels;
- Students do have the ability to raise a complaint via the MyDay app, but we were advised that complaints about the quality of individual teaching staff routinely make their way to the relevant SCM;
- Within the Quality Improvement Action Plan for 2021/22 there is a specific emphasis on how to make the quality of learning and teaching better. This largely focuses around a shared aspiration to upskill staff within their own discipline, rather than focusing solely on increasing the proportion of staff who have achieved Teaching Qualification for Further Education (TQFE) accreditation;
- The College has invested in a Digital Skills Develop Team to support staff in developing new digital skills. This has been augmented by skills and training materials which can be accessed through the college intranet by staff;
- From our discussions with Faculty teams, and our review of the quality documentation provided, it is apparent that staff feel much more involved in the development of the new quality processes and the Quality Assurance tool which has been developed has been well received by the staff interviewed;
- The new risk framework has also been welcomed by staff who now feel much more involved in identifying and managing risks in their faculty. This has been embedded through the creation of Faculty Risk Registers, which are driving discussions around emerging risks and the actions required to manage these risks at faculty level;

Report No 2022/07 – Quality Assurance (Continued)

Strengths (Continued)

- For academic year 2021/22 the College developed an Enhancement Plan and has been monitoring progress in delivering against the plan throughout the year;
- During academic year 2021/22 a meeting was held with Faculty Directors and SCMs to discuss progress with a specific focus around the SCM subject area reports and also the faculty operational plans. Quality Improvement Action Plans were also developed to identify areas where interventions were required to address unsatisfactory pockets of performance;
- It is clear from our discussions with faculty staff and our review of documentation that engagement with employers forms an important facet of the quality enhancement process as the college strives to deliver activity which meets the needs of employers and prepares students for the world of work; and
- Our discussions with faculty staff demonstrated a new level of staff involvement in curriculum development and an increased engagement in quality enhancement, driven largely by data but also recognising the freedom, which staff now have, to explore new ways of delivering learning and teaching.

Weaknesses

No significant weaknesses were identified during our review.



Report No 2022/08 – Follow Up Review

Final Issued – August 2022

Overall grade: N/A

As part of the Internal Audit programme at Glasgow Kelvin College ('the College') for 2021/22 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 2021/02 – Sickness Absence
- Internal Audit Report 2021/03 – Externally Facilitated Board Effectiveness Review
- Internal Audit Report 2021/04 – Cash & Bank and Treasury Management
- Internal Audit Report 2021/05 – IT Network Arrangements
- Internal Audit Report 2021/06 – Procurement and Creditors / Purchasing
- Internal Audit Report 2021/07 – Follow Up Reviews 2020/21
- Internal Audit Report 2021/08 – 2020/21 Student Activity Data

Internal Audit Report 2021/01 – Annual Plan was not followed-up because this report did not contain any recommendations.

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

The College has made some progress in implementing the recommendations followed-up as part of this review, with overall 9 (50%) of the 18 recommendations followed-up being assessed as 'fully implemented'. 9 recommendations were assessed as 'partially implemented'.

The recommendations that were 'partially implemented', together with those not past their agreed completion dates, will be subject to follow-up at a later date.



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2022/08 – 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
Sickness Absence	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	-	2	-	-	-
Total		2	-	2	-	-	-
Externally Facilitated Board Effectiveness Review	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	3	3	-	-	-	-
Total		3	3	-	-	-	-
Cash & Bank and Treasury Management	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	1	-	-	-
Total		1	-	1	-	-	-
IT Network Arrangements	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	3	1	2	-	-	-
Total		3	1	2	-	-	-
Procurement and Creditors / Purchasing	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	1	-	-	-	-
Total		1	1	-	-	-	-
Follow Up Reviews 2020/21	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	6	3	3	-	-	-
Total		7	4	3	-	-	-
2020/21 Student Activity Data	1	-	-	-	-	-	-
	2	1	-	1	-	-	-
	3	-	-	-	-	-	-
Total		1	-	1	-	-	-
Grand Totals		18	9	9	-	-	-

Report No 2022/10 – Asset and Fleet Management

The audit considered the systems and procedures in place for asset and fleet management arrangements at the College.

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

Strengths

- The College's Financial Regulations set out the authorisations for capital and revenue spend, and the capitalisation of assets for account purposes, including instructions on disposals in line with the SPFM;
- It was evident from the interviews conducted, that the rules around capitalising fixed assets over £10,000 was well understood by management;
- The new Asset Register Database has allowed the collation of old asset databases pre-merger. Inspection noted its format is in line with the SPFM guidance for asset registers, including recording its value at the point of purchase (or donation) and its useful economic life;
- The Fixed Asset procedures (August 2022) have established new workflow for acquisitions, transfers, and disposals. These have been communicated to relevant faculty and departmental staff;
- The Estates team are completing a programme of tagging historical assets from the old campuses and estimating their values and update the register for obsolete items. There is also an annual programme of compliance monitoring of assets. Management have recently invested in handheld scanners to support the registering of items;
- ICT and the Library Services have established a system for the loan and monitoring of the location of portable digital assets to students. The Library System, KOHA, allows for efficient and effective monitoring and reporting of all libraries digital assets using Power BI. ICT monitor student attendance and disable digital assets where there is potential that a student is likely to withdraw. The Acceptable Use Policy states accountability for not returning digital devices such as failure to seek future funding at the College;
- ICT hardware are also tracked on the Asset Register Database when distributed or in use. Portable and at-risk items are asset tagged. All ICT assets are logged on a local inventory. Items are securely stored in dedicated Store Rooms when not in use;

Final Issued – November 2022 Overall grade: Satisfactory

The objective of this audit was to obtain reasonable assurance that:	
1. Assets are recorded with sufficient and appropriate information (e.g., unique identification numbers, quantity, description, age etc.) and are tagged	Satisfactory
2. There is a process to control additions to the asset registers	Satisfactory
3. Processes are in place to control and authorise the transfer of assets and the removal of assets from the registers	Requires improvement
4. Management processes are in place to ensure compliance and monitor the asset registers, including physical checks that recorded assets exist	Good
5. There is central control over the management of the fleet	Satisfactory
6. Vehicles in the fleet are being properly utilised and are necessary to meet the College's mission	Satisfactory
7. There is adequate scrutiny of plans for the acquisition of new vehicles and the decision to purchase or lease	Good
8. Procurement arrangements and the level of vehicle maintenance and fuel spend are regularly reviewed to ensure value for money is being achieved.	Good
Overall Level of Assurance	Satisfactory



Report No 2022/10 – Asset and Fleet Management (Continued)

Strengths (Continued)

- Drivers' licenses are monitored annually by Finance and there is a digital system through Celcat that allows minibuses to be booked by faculty and departmental staff. All new drivers undergo due diligence on their drivers' licence and the Health & Safety team ensure MiDAS training is up to date;
- Procurement arrangements are managed with support from APUC, and the capital planning arrangements are approved annually (the Capital Plan and Estates Strategy were previously reviewed as part of the previous internal audit report 2022/05 – Estates Strategy & Capital Projects); and
- There is a robust system for tracking fuel spend using Fuel Genie and spend approval through the P2P system.

Weaknesses

- The Fixed Asset Procedures should define the assets that should be tracked on the asset register and those that should not. It was evident that this lack of detail is currently leading to a lack of clarity for the Estates team. Guidance should also be provided on valuing donations and treatment of depreciation of non-purchased items;
- Assets received by the College can often by-pass the Stores where they are checked and tagged. Campus receptionists, purchasing staff and budget holders should be reminded of the new processes put in place to contact Estates on receiving assets (purchased or donated) with an estimated value over £250;
- Our checks on the location of assets logged on the Asset Register database noted several instances where the item could not be located and there was an absence of local inventories to confirm the actual location of recorded assets. Budget holders should be reminded of their roles and responsibilities as custodians of College equipment and assets and ensure that local inventories are developed to allow effective monitoring of the location of items of value. These inventories should be provided to Estates, at least annually, as part of their compliance checks on items and for reporting on disposals to the Finance and Resources Committee;

Report No 2022/10 – Asset and Fleet Management (Continued)

Weaknesses (Continued)

- The process for managing the fleet is currently a manual exercise, resulting in instances of human error. Digital management of the college fleet would allow for more effective tracking of vehicle roadworthiness. As a minibuss operator, the College must make sure that the system used for record checks and maintenance schedules meets the requirements of their Schedule 19 permit. Minibusses should have additional safety inspections completed at least every 10 weeks in line with UK Government and DVSA requirements for Schedule 19 permit compliance; and
- Fleet utilisation in relation to mileage, electricity and fuel costs should be tracked and monitored through quarterly trend reporting.

2022/11 – Student Activity Data 2021/22 Final Issued – November 2022

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 major requirements for recording and reporting fundable activity identified at Annex C to Credits Audit Guidance, COVID-19 related guidance at Annex D and the key areas of risk identified in Annex E.

Our report was submitted to the SFC on 4 November 2022. 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
- on the basis of our testing we can provide reasonable assurance that the FES return contains no material misstatement.

We identified two Priority 3 recommendations from our audit testing for 2021/22. The first recommendation relates to the need for the College to ensure that programmes and students are correctly classified as full-time or other in line with the Credits guidance. The second recommendation proposes a review of the checks carried out at course set-up to ensure that Credits claimed agree to SQA (or other awarding body) credit rating or planned learning hours/40.

2022/12 – Student Support Funds 2021/22 Final Issued – November 2022

For the 2021/22 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 HE 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 HE Discretionary Fund and all transactions are 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.

In our covering letter to the SFC enclosing the audited EMA Return we made one minor observation. As notified to the SFC by the College on the monthly return for August 2022, there was an overclaim for administration of four students (£60.00) on the monthly return for July 2022. The total number of EMA students in 2021/22 was 213 giving rise to an administration claim of £3,195.00 and not £3,255.00 as noted on the year-end statement. A deduction of £60.00 was made to correct this on the August 2022 return.

Time Spent - Actual v Budget 2021/22

	Report number	Planned days	Actual days feed	Days to fee at Nov 2022	Days to spend / WIP	Variance
Student Experience						
<i>Student Support</i>	2022/02	4	4	-	-	-
<i>Quality Assurance</i>	2022/07	4	4			
Reputation						
<i>Publicity & Communications</i>	2022/03	4	4	-	-	-
Organisational Issues						
<i>Performance Reporting / KPIs</i>	2022/06	4	4	-	-	-
Information and IT						
<i>Data Protection</i>	2022/05	4	4	-	-	-
Estates and Facilities						
<i>Estates Strategy / Capital Projects</i>	2022/05	5	5	-	-	-
<i>Asset / Fleet management</i>	2022/10	5	5	-		
Other Audit Activities						
Credits Audit	2022/11	6	6	-	-	-
Bursary, Childcare and Hardship Funds Audit	2022/12	6	6	-	-	-
Management and Planning)	2022/01	4	4	-	-	-
External audit / SFC)						
Attendance at Audit and Risk Committee)						
Follow-up reviews	2022/08	3	3	-	-	-
Total		44	44	-	-	-
		=====	=====	=====	=====	=====



Operational Plan for Glasgow Kelvin College 2022/23

- 5.1 This annual programme of internal audit activity 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.
- 5.2 The draft 2022/23 operational plan, below, is based on discussions with the Vice Principal – Operations and the Director of Corporate Services and consideration by other members of the College Senior Management Team (SMT), 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 22/23 Days
Reputation			
<i>Publicity and Communications</i>	Gov	M	
<i>Health and Safety</i>	Gov	M	5
Student Experience			
<i>Curriculum planning</i>	Perf	M	
<i>Quality assurance</i>	Perf	M	
<i>Student support</i>	Perf	M	
<i>Student recruitment and retention</i>	Fin/Perf	H	
<i>Student Engagement / Students' Association</i>	Gov	M	
Staffing Issues			
<i>Staff recruitment and retention</i>	Perf	H	
<i>Staff development</i>	Perf	M	
<i>Sickness absence</i>	Perf	M	
<i>Workforce planning</i>	Perf	M	
<i>Payroll</i>	Fin	L/M	4
Estates and Facilities			
<i>Building maintenance</i>	Fin/Perf	M/H	
<i>Estates strategy / capital projects</i>	Fin/Perf	M	
<i>Space management</i>	Perf	M	
<i>Asset / fleet management</i>	Perf	M/H	
<i>Facilities Operations</i>	Perf	M	
Financial Issues			
<i>Budgetary control)</i>	Fin	M	5
<i>Financial planning)</i>	Fin	M	
<i>Student fees and contracts / registry</i>	Fin	M	
<i>General ledger</i>	Fin	L/M	
<i>Procurement and creditors / purchasing</i>	Fin	M	
<i>Debtors/ Income</i>	Fin	L/M	
<i>Cash & Bank / Treasury management</i>	Fin	M	
<i>Fraud prevention, detection and response</i>	Fin	M	
Commercial Issues			
<i>Business Development</i>	Fin/Perf	M	

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	Category	Priority	Planned 22/23 Days
Organisational Issues			
<i>Risk Management</i>	Perf	M	
<i>Business Continuity</i>	Perf	M	
<i>Corporate Governance</i>	Gov	L/M	
<i>Corporate Planning</i>	Perf	L/M	
<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	4
Information and IT			
<i>IT network arrangements</i>	Perf	M	
<i>Cyber Security</i>	Perf	M	5
<i>Data protection</i>	Gov	M	
<i>FOI</i>	Gov	L	
<i>Systems development / implementation</i>	Perf	M	
<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			
			42
Total			=====

Key

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



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