Item 08
For Approval

Glasgow Kelvin College

Audit And Risk Committee – Meeting 14 February 2023

Audit Action Plan

Report by Director of Estates and Corporate Services

1. Introduction

As members are aware, it is good practice for both management and the Audit and Risk Committee members to monitor progress in implementing the recommendations made by the Internal and External Auditors. Members will recall that it was agreed that the College would maintain an Audit Action plan to provide the Audit and Risk Committee members with details of all 'high', 'medium' and 'low' grade audit recommendations raised by either the internal or external auditors.

The purpose of this report is to provide members with the current Audit Action Plan attached as **Appendix 1**. The Governance Action Plan (GAP) is a separate document and the actions contained therein are not repeated in the Audit Action Plan. The actions contained in the Externally Facilitated Effectiveness Review appear in the GAP.

2. Audit Action Plan

Appendix 1 is the Audit Action Plan as at 6 February 2023. The document has been updated to reflect the current position in respect of the recommendations listed in the plan.

Appendix 2 provides a list of completed audits and when they are/will be reported to the Audit and Risk Committee.

The audit activities concluded since the last meeting of the Audit and Risk Committee are:

- Environmental Sustainability – took place w/c 16 January 2023. *Report on the Audit and Risk agenda of 14 February 2023.*
- Cyber Security - took place w/c 23 January 2023. *Report on the Audit and Risk Committee agenda of 14 February 2023.*

Assuming the Audit Action Plan update as per Appendix 1 is accepted, the number of recommendations outstanding is as follows:

Grade	Sept 2021	Nov 2021	Feb 2022	May 2022	Aug 2022	Nov 2022	Feb 2023	Per College Feb 2023
High	0	0	0	0	0	0	0	0
Medium	1	3	1	0	0	1	1[1]	0
Low	6	2	2	3	5	17	25[2]	20
Total	**7**	**5**	**3**	**3**	**5**	**18**	**26**	**20**

[1] The College considers this action fully implemented.
[2] The College considers 5 of these actions as fully implemented and 4 are partially implemented. Both the Environmental Sustainability and Cyber audits had 4 Low Grade recommendations, hence the increase in the total number by 8.

3. Resource Implications

The resources implications are mainly in relation to staff time to implement recommendations contained in the Audit Action plan.

4. Impact on Students

There are no negative impact on students identified as a consequence of anything within this report.

5. Risk and Assurance

The Audit Action plan is an important mechanism used to manage risk and control issues raised through independent audit visits. This provides the Committee with management assurance that recommendations made by auditors are being addressed.

6. Equality

No adverse impacts on people with protected characteristics have been identified as a consequence of this report.

7. Data Protection

There are no new data protection matters arising from the contents of this report.

8. Recommendations

Members of the Audit and Risk Committee are recommended to:

i) note the contents of this report and its appendices; and
ii) approve the Audit Action Plan.

9. Further Information

Members can obtain further information on the contents of this report from Lisa Clark, Director of Estates and Corporate Services - lisaclark@glasgowkelvin.ac.uk or Jeanette Evans, Vice Principal - Operations - jevans@glasgowkelvin.ac.uk

LC/JE
Glasgow Kelvin College
February 2023

Appendix 2

Completed & Planned Audits 2022/23

Completed

- Environmental Sustainability – took place w/c 16 January 2023. *Report on the Audit and Risk agenda of 14 February 2023.*
- Cyber Security - took place w/c 23 January 2023. *Report on the Audit and Risk Committee agenda of 14 February 2023.*

Planned

- Budgetary Control/Financial Planning – 20 February 2023. **Report on the Audit and Risk Committee agenda of 16 May 2023.**
- Health and Safety – 03 April 2023. **Report on the Audit and Risk Committee agenda of 16 May 2023.**
- Payroll – 03 April 2023. **Report on the Audit and Risk Committee agenda of 16 May 2023.**
- Credits Annual Audit – scheduled to take place 11 September 2023. **Report on the Audit and Risk Committee agenda of November 2023.**
- Student Support Funds – scheduled to take place August / September 2023. **Report on the Audit and Risk Committee agenda of November 2023.**

At February 2023

Audit Report	Audit Reference	Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress	High Priority	Medium Priority	Low Priority	Considered Complete by Owner	Partially Completed
									0	1	25	6	4
Sickness Absence	**2021/02**	**R1** The College should review its approach to the completion of RTWs to attempt to improve levels of compliance across the College, including where possible a digital approach to minimise the required paperwork to complete the RTW process. In addition, a digital process would enable a more effective escalation procedure with automatic reminder emails issued to relevant line managers where the required RTW process is not being followed.	**3**	The College has been developing an online self-certificate service in partnership with its HR software provider. This will eliminate the need for paperwork and the system will send reminders to managers automatically. The HR Team will carry out a weekly audit of the system to ensure the self-certificate process is complied with by managers. The system will be rolled out to all departments by the end of session 20/21.	Yes	Director of Human Resources	31-Jul-21	The recently revised and agreed contract with Cintra for a cloud-based product was effective from 01 December 2022 which was implemented later than originally planned. The cloud-based product provides access to the newly launched self-certificate service. The College has tested the online self-service product during the month of January 2023 and is currently working with the software provider to adjust the system to meets our needs. The online system will be piloted with two departments initially in February. Feedback will be considered prior to rolling out the online system during the month of March. A scheldued plan for the rollout is being drafted.			1		
								~~Revised completion date January 2023~~					
								Revised completion date 28 February 2023					
								Partially Implemented					Yes
Sickness Absence	**2021/02**	**R2** A target date should be set and monitored for the completion of RTW and formal interviews and the submission of the paperwork to HR. The level of compliance in meeting this agreed target date should be monitored and reported on. Implementation of recommendation R1 would also assist in this process, as reminders could be issued when the target date for completion has been missed, and non-compliance with the agreed reporting requirements would be automatically notified to the relevant line manager.	**3**	The online self-certificate system will send reminders to managers automatically within set timescales. The HR Team will carry out a weekly audit of the system to ensure the self-certificate process is complied with by managers. The online system will automatically notify managers when a formal interview is required. The HR Team will carry out a weekly audit of the system to ensure the formal interview process is complied with by managers.	Yes	Director of Human Resources	31-Jul-21	It was anticipated that the online system would be available from 01 December 2022 and managers would be introduced to the service by the end of January 2023. The new online self-certificate system became accessible in December 2022 and the HR Team tested the funcion during January 2023. Testing has led to some necessary adjustments and the team is working with the software provider. The online self certificate function will be piloted with two departments during February 2023 and it is anticipated that it will be available to all managers in March 2023. Once this element is operational the HR Team will work with Cintra to assess if an automatic notification process for formal interviews is possible. It should be noted that the College is currently reviewing its HR system in line with procurement requirements. The HR Team continues to work with managers to ensure that the formal interviews take place within an acceptable timescale from the trigger point being hit. This is monitored by the HR Manager.			1		
								~~Revised completion date: 31 January 2023~~					
								Revised completion date 28 February 2023					
								Partially Implemented					Yes
Cash, Bank & Treasury Management	**2021/04**	**R1** The Financial Procedures (2020) should be updated for all bank accounts such as the Clydesdale Bank account, authorising signatures, and staff who have access to the online bank accounts.	**3**	Recommendation agreed. The Financial Procedures (2020) will be updated for all bank accounts such as the Clydesdale Bank account, authorising signatures, and staff who have access to the online bank accounts.	Yes	Finance Manager	31-Dec-21	The Financial Procedures were updated in June 2021 to include full information on authorised signatories and who has access to the online banking systems for all banks where the College has accounts. The Financial Procedures were also updated to note the restrictions on cash handling due to COVID-19.			1		

		The College's Financial Regulations (2018) and Procedures (2020) should also be updated for the College's 'restricted cash handling' policy which was implemented in March 2020.		Recommendation agreed. The College's Financial Regulations (2018) and Procedures (2020) should also be updated for the College's 'restricted cash handling' policy which was implemented in March 2020.				The Financial Regulations have not yet been updated to reflect the restricted cash handling policy.					
								Revised completion date: 30 September 2022					
								The Financial Regulations have been updated to reflect the restricted cash handling policy. The following paragraph was inserted at section 12 - Petty Cash - As of session 2020/21 there are restrictions on cash handling due to COVID19. This will continue to be reviewed and should this change the following will apply.					
								Fully Implemented				Yes	
IT Network Arrangements	**2021/05**	**R2** Mechanisms, such as the use of ethical phishing campaigns, should be established to test the effectiveness of the range of security training provided to staff. The areas of the organisation that regularly feature in security incident reports or achieve the lowest feedback from information security questionnaires or training modules, should be the focus for further support and tailored training.	**3**	The College accepts this recommendation and will seek to implement methods to evaluate the effectiveness of the User Education & Awareness program.	Yes	Director of Digital Services	31-Mar-22	Cyber Security training is now a mandatory feature of staff training and is provided, and monitored, through the WorkRite system. A recent table-top exercise has been undertaken by the ICT team, which focused on the College's response to a phishing attack. Two staff from ICT services are currently undertaking a course relating to cyber-penetration testing, view a view to utilising the skills to implement a programme of simulated cyber-attacks.			1		
								~~**Revised completion date: 31 January 2023**~~					
								Revised completion date: 1 March 2023					
								Partially Implemented					Yes
IT Network Arrangements	**2021/05**	**R3** Tools such as network IDS / IPS of SIEM should be placed on the network and configured to monitor traffic for unusual or malicious incoming and outgoing activity that could be indicative of an attack or an attempted attack. Alerts generated by the system should be promptly managed by the Digital Services team.	**3**	The College acknowledges this recommendation. The College will explore the feasibility of the implementation of SIEM and IDS solutions.	Yes	Director of Digital Services	30-Apr-22	The ICT team has implemented a Zero Trust methodology to provide the network with intrusion detection (IDS) and intrusion prevention (IPS). This will mitigate unwanted lateral movement between systems and detection malicious code. Implementation of a full SIEM solution is still being explored to assess the feasibility in relation to cost and benefit.			1		
								~~**Revised completion date: 31 January 2023**~~					
								Revised completion date: 31 July 2023					
								Partially Implemented					Yes
Student Recruitment & Retentuion	**2020/02**	**R2** Review the individual course guide pages on the College website and identify further opportunities to provide case studies video content, where this can be supported.	**3**	Agreed.	Yes	Director of Business Development	30-Jun-20	***August 2021:*** Based on this audit and other feedback, the College has agreed to fully redevelop the current College website. The specification includes reference to greater facility for video content. This redevelopment process is currently at the tender stage. ***Revised completion date:*** 31 December 2021 **Partially Implemented**			1		
								Progress August 2022: The website provider has now been contracted with a new website due to be completed by December 2022. This will deliver new course guide pages with video content. ***Revised completion date:*** **31 December 2022** **Fully Implemented: 10 January 2023**				Yes	
								Jan-23					

Student Recruitment & Retentuion	**2020/02**	**R3** Links to approved departmental social media sites should be added to the individual course guide pages of the College website as a way of channelling potential applicants to information which will provide further insight into programme activities and content and highlight the specific achievements of students.	**3**	Agreed.	Yes	Director of Business Development	30-Jun-20	***August 2021:*** This will be integrated into the redevelopment of the College website. Revised completion date: 31 December 2021 **Partially Implemented**			1		
								August 2022: The individual course guide pages will be redeveloped as part of the work undertaken during the construction of the new College website. ***Revised completion date:*** **31 December 2022** **Fully Implemented: 10 January 2023**				Yes	
Business Development	**2020/07**	**R3** The current format of the financial reporting of Non-SFC income should be revisited to allow the progress of the Business Development Team against financial income targets to be monitored more effectively throughout the financial year.	**3**	Work has already commenced to address this recommendation and will be further progressed over the next few months to provide enhanced reporting in this area.	Yes	Director of Business Development / Head of Finance	31/07/2021	August 2021: The scope of non SFC income that falls within the remit of the Business Development Team will be reported as follows. Progress against financial income targets, and costs where appropriate, will be reported to the College Finance and Resources Committee once a year. Reporting will generally take place annually at the September Meeting, but as this is the first year, an interim report will be presented in March 2022. ***Revised completion date:*** March 2022 **Little or No Progress Made**			1		
								August 2022: The Management Accounts to 31 July 2022, which will be presented to the Finance & Resources Committee in September, will include a detailed analysis of non SFC income and this will become part of the annual reporting process. Separately a report and supporting presentation on stakeholder engagement activities will be given to the College Board on 29 August 2022. ***Revised completion date:*** 20 September 2022 **Stakeholder Engagement paper presented to Board of Management on the 29th August. Section 3 of the 21/22 Management Acccounts presents a detailed analysis of non SFC income** **Fully Implemented**				Yes	
Student Activity Data	**2021/08**	**R1** The records for the Digital Support distance learning programme or similar programmes should be improved to ensure that there is a full and centrally accessible record of student engagement and progress with the programme against set time-related milestones. The records should be monitored on a regular basis to identify and exclude from the Credits claim, as appropriate, students who are not continuing with the programme. Copies of records should be retained and made available for audit.	**2**	The College will clearly specify within its course approval documentation the engagement and progress monitoring requirements for distance learning provision. The MIS Manager will meet with Senior Teaching staff to ensure that they are aware of the administrative requirements of on-line provision	Yes	MIS Manager	Process in place by end of Block One (Dec 2021) and finalised by audit Sept 2022.	***Documentation relating to course approval has been updated to include information relating to deliver mode (flowchart provided).***		1			

				Additionally, at the end of each block an audit, to mirror that conducted by the internal auditors, will be carried out on each group, to ensure that procedures and requirements are being met.				The Head of SIS met with all teaching staff involved with delivering the Distance Learning curriculum and advised of the procedures and processes that were required to enable credits to be claimed for this type of programme.					
								Across 2021/22, the Head of SIS conducted an audit on distance learning classes and fed back the findings and recommendations to both the Heads of Department and the associated members of teaching staff. These audits will continue for the 2022/23 session.					
								In Academic Session 2022/23, all activity for distance learning courses will be moved to the Moodle platform. This will assist with reporting throughout the year and with year-end final reports.					
								The Student Activity Data Audit for 2021-22 is now complete with no further actions in this area.					
								Revised completion date: 30 November 2022					
								Fully Implemented				Yes	
Estates Strategy & Capital Projects	**2022/07**	**R1** The College's Financial Regulations and Procurement Procedures should be updated to reflect current management, approval levels, and the recent change in legislation in relation to considering VAT in whole life contractual costs. The arrangements for the approval of SSJ over the £25,000 threshold (or identified as higher risk) should be made clearer in the Procurement Procedures. Currently procedures (section 1.7.1.2) state that the Procurement Manager will advise on single tender procedures, however, the procedure is not explicit on the additional authorisation required. Good practice would ensure the Director or Head of Finance signs off higher risk exceptions where a procurement exercise is not conducted. Also the Procurement Procedures should be explicit on the reporting arrangements to the Finance and Resources Committee (or to the Board), including reporting on SSJs, to mirror the arrangements already described in the College's Financial Regulations.	3	The College's Financial Regulations and Procurement Procedures will be updated as recommended.	Yes	Vice Principal Operations Procurement Manager	30/09/2022				1		
								Sep-22					
								Fully implemented				Yes	
Estates Strategy & Capital Projects	**2022/07**	**R2** Estates management should ensure that they fully adopt the College's Financial Regulations and Procurement Procedures in order to ensure that the College can evidence decision making around contractors' selection and confirm that variables such as quality, due diligence assessments, and sustainability considerations are also assessed, in addition to cost. SSJ Forms should be used as an exception with goods, works or services over £2,000 approved by the Procurement Manager, irrespective of timing of activity.	3	The main reason for not fully adhering with good practice was the lack of APUC support at a College and Regional level due to illness and bereavement. Should such circumstances occur again, then support will be sought from APUC nationally. Estates staff are aware o f the Procurement Procedures, but they, and wider College staff, will be given refresher training. To be actioned by: Director of Corporate Services	Yes	Director of Estates and Corporate Services Head of Facilities (and Environmental Sustainability and Procurement Manager)	Training 31/10/2022	***This has not been met due to APUC absences***			1		
								~~***Sep-22***~~					
								Revised deadline: 23/03/2023					

Student Activity Data	**2022/11**	**R1** The College should ensure that programmes and students are correctly classified as full-time or other in line with the Credits guidance.	**3**	Where appropriate the MoA of the class will be amended to reflect the Credits being allocated for the planned learning of the student, instead of amending the MoA of the student at student enrolment level.	Yes	Head of Student Information Services	Throughout 2022/23				1		
Student Activity Data	**2022/11**	**R2** Review 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.	**3**	Head of SIS will ensure that Student Records closely monitor the setup of non-modular activity based on the SQA principle of planned learning hours for a unit. Additionally, Student Records staff will be reminded to ensure that unit Credits and FES2 Planned Credits need to match to ensure the accuracy of the Credit claim	Yes	Head of Student Information Services	Throughout 2022/23				1		
Asset and Fleet Management	**2022/11**	**R1** The Fixed Asset Procedures should be updated to define the assets that should be tracked on the asset register and those that should not. Consideration should be made to inclusion of detail on the two asset categories identified in the observation. Further guidance should also be provided on valuing donations and on the treatment of depreciation of non-purchased items.	**3**	Recommendation accepted. Fixed Asset procedures should be updated to clarify what should be recorded and tracked on the Asset Register. Further guidance on donated assets will also be provided.	Yes	Head of Finance/Director of Estates and Corporate Services	Mar-23	**Update as at 3 Februrary 2023** Fixed Asset Procedure to be updated in relation to clearer wording. Guidance being prepared too which will also be available as a flow-chart for user ease.			1		
							Mar-23						
Asset and Fleet Management	**2022/11**	**R2** Campus receptionists, purchasing staff and budget holders should be reminded of the new processes to contact Estates on receiving assets (purchased or donated) with a value over £250.	**3**	Workshops will be arranged to re-enforce the requirements of the Fixed Assed procedures.	Yes	Director of Estates and Corporate Services/Head of Finance	Mar-23	**Update as at 3 Februrary 2023** Slides for workshop in the process of being prepared.			1		
							Mar-23						
Asset and Fleet Management	**2022/11**	**R3** Budget holders should be reminded of their roles and responsibilities as custodians of College equipment and assets and ensure that local inventories are developed for monitoring 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.	**3**	Workshops will be arranged with Budget Holders and relevant staff to re-enforce the procedures.	Yes	Director of Estates and Corporate Services/Head of Finance/ Head of Facilities and Environmental Sustainability	Mar-23	**Update as at 3 Februrary 2023** Slides for workshop in the proces of being prepared.			1		
							Mar-23						
Asset and Fleet Management	**2022/11**	**R4** An electronic process for recording the status of vehicle roadworthiness should be created in order to highlight any red flags or trends. For example, to track the results of safety inspections to determine any trends or cost savings. As a minibus operator, the College must make sure that the system used for recording daily and 10 weekly safety checks, as well as maintenance schedules, meets the requirements of their permit. Minibuses should have additional safety inspections completed at least every 10 weeks in line with UK Government and DVSA requirements for Schedule	**3**	There was a digital system in place, but this was not being used. A new electronic system has been established involving various staff members to ensure there is no single point of failure. This will be closely monitored with records kept in line with guidance provided by auditors. A comprehensive vehicle process is currently being written and refresher training will be provided to vehicle users.	Yes	Director of Estates and Corporate Services/Head of Facilities and Environmental Sustainability	Mar-23	**Update as at 3 Februrary 2023** An electronic process has been established and is in the process of being implemented. Work ongoing.			1		
							Mar-23						

Asset and Fleet Management	**2022/11**	**R5** Mileage should be tracked as part of the daily safety check on minibuses. Good practice would dictate that as well as minibuses the other three vehicles are also checked.	**3**	A refresher is required for everyone who uses the College vehicles. A comprehensive step by step vehicle process has been drafted which will have a flowchart attached too for ease with relevant links.	Yes	Director of Estates and Corporate Services/Head of Facilities and Environmental Sustainability	Mar-23	**Update as at 3 Februrary 2023** A comprehensive Vehicle Procedure has been drafted.			1		
Environmental Sustainability	**2023/01**	**R1:** We recommend that the College establishes a network of Sustainability Champions who can help share good practice and help staff become aware of initiatives happening within the College or wider sector etc.	**3**	A similar approach has been adopted for the Data Protection Privacy Network across the College and this works very well.	Yes	Director of Estates and Corporate Services/Head of Facilities and Environmental Sustainability and Environmental and Sustainability Manager	Jul-23				**1**		
Environmental Sustainability	**2023/01**	**R2:** We recommend that the College ensures that all its strategies take cognisance of its sustainability and climate change objectives and ambitions. This will help embed sustainability and carbon management throughout the whole of the College	3	Strategies will be reviewed at next review dates and sustainability embedded as appropriate.	Yes	SMT	Jul-23				1		
Environmental Sustainability	**2023/01**	**R3:** Ensure that adequate training is 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.	**3**	Some training was given by Mitie prior to the COVID-19 lockdown period, however, the passage of time means that refresher training would be welcome and would also allow proper interrogation of the BEMS system in order that it can be used to maximum effect.	Yes	Head of Facilities and Environmental Sustainability/ Environmental and Sustainability Manager	Jul-23				1		
Environmental Sustainability	**2023/01**	**R4:** We recommend that going forward the College includes 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 will help focus people's minds on sustainability and carbon emissions. We also recommend that for any projects / initiatives a section is added to the new project process to include an assessment on the climate and sustainability of undertaking the project / initiative.	3	This section will be included as suggested.	Yes	SMT	Jul-23				1		
Cyber Security	**2023/01**	**R1:** Ensure that a formal programme of refresher training is established for staff users with a risk-based approach adopted in identifying the frequency of refresher training requirements.	3	Our current cyber security training module is available for all staff, but is not required to be repeated periodically. This will be reviewed. Training workshops will be considered along with simulated cyber-attack exercises and follow-up training, to ensure staff have every opportunity to refresh their knowledge.	Yes	Director of Digital Services	Jul-23				1		
Cyber Security	**2023/01**	**R2:** Ensure that departmental compliance rates for completion of the cyber security training are communicated to departmental line mangers and instances of non-compliance are followed up. Potential barriers to completion of the training should be investigated and remediated.	3	An initial drive to increase the cyber security training completion rate will be undertaken. Thereafter, ongoing monitoring of compliance will be linked in with recommendation one of this report, to ensure departments are aware of non-compliance.	Yes	Director of Digital Services	Jul-23				1		

Cyber Security	**2023/01**	**R3:** A Cyber Incident Response Procedure should be communicated to all relevant staff and stakeholders to ensure that everyone's roles and responsibilities are defined and understood. This should then be supported through appropriate training. The response procedure should then be practised to ensure staff know how to respond during a cyber security incident, and to also highlight any potential weaknesses or gaps in the planned response. Practises should also include restoring systems and files from backups to ensure that recovery times and recovery points can be achieved.	3	A simulated large scale cyber incident exercise will be challenging and will affect day-to-day operations. However, a plan for both paper-based practice and live scenarios will be prepared on a sufficient scale to test our incident response, including data recovery from backup systems.	Yes	Director of Digital Services	Jul-24				1		
Cyber Security	**2023/01**	**R4:** Establish mandatory requirements within procurement procedures for relevant suppliers to provide evidence of current cyber security certifications. Also ensure that relevant suppliers provide copies of recertifications when these are due.	3	Director of Digital Services to work with Procurement Manager to establish best method of including cyber security arrangements within the procurement procedures.	Yes	Director of Digital Services / Procurement Manager	Jan-24				1		