

Glasgow Kelvin College

Internal Audit Annual Plan 2024/25

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Contents

	Page
Section 1	
Introduction	1
Section 2	
Updated Strategic Plan 2020 to 2025	2 - 3
Section 3	
Outline Scope and Objective	4 - 12
• Student Recruitment and Retention	4 - 5
• Staff Recruitment, Retention, Succession Planning and Sickness Absence	6
• Estates Strategy – Capital Projects and Planned Maintenance	7 - 8
• Procurement and Creditors/Purchasing	9
• Fraud Prevention, Detection and Response	10
• Credits Audit	11
• Student Support Funds	12
• Follow Up Reviews	13
Appendix I	
Previous Coverage and Overall Level of Assurance	14 - 16



Introduction

- 1.1 The purpose of this document is to present for consideration by the Audit and Risk Committee the annual operating plan for the year ended 31 July 2025. This 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 25 September 2019) it was agreed that a full ANA should not be undertaken at this time. The draft plan is based on discussions with the Vice Principal Operations 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.
- 1.2 A copy of the extended Strategic Internal Audit Plan is included at Section 2 of this report.
- 1.3 At Section 3 of this report we have set out the outline scope and objectives for each audit assignment to be undertaken during 2024/25, together with the audit approach. These have been arrived at following discussion with the Vice Principal Operations and consideration by other members of the College SMT. The outline scopes will be refined and finalised after discussion with responsible managers in each audit area.
- 1.4 Separate reports will be issued for each assignment with recommendations graded to reflect the significance of the issues raised. In addition, audit findings will be assessed and graded on an overall basis to denote the level of priority that should be given to each report.

Updated Strategic Plan 2020 to 2025

	Category	Priority	Actual 20/21 Days	Actual 21/22 Days	Actual 22/23 Days	Actual 23/24 Days	Planned 24/25 Days
Reputation							
Publicity and Communications	Gov	M		4			
Health and Safety	Gov	M			5		
Student Experience							
Curriculum planning	Perf	M				4	
Quality assurance	Perf	M		4			
Student support	Perf	M		4			
Student recruitment and retention	Fin/Perf	H					5
Student Engagement / Students' Association	Gov	M					
Staffing Issues							
Staff recruitment and retention*	Perf	H					6
Staff development	Perf	M				4	
Sickness absence*	Perf	M	4				
Workforce planning	Perf	M					
Payroll	Fin	L/M			4		
Estates and Facilities							
Building maintenance	Fin/Perf	M/H					
Estates strategy / capital projects	Fin/Perf	M		5			6
Space management	Perf	M					
Asset / fleet management	Perf	M/H		5			
Facilities Operations	Perf	M					
Financial Issues							
Budgetary control)	Fin	M			5		
Financial planning)	Fin	M					
Student fees and contracts / registry	Fin	M				5	
General ledger	Fin	L/M					
Procurement and creditors / purchasing	Fin	M	4				5
Debtors/ Income	Fin	L/M					
Cash & Bank / Treasury management	Fin	M	4				
Fraud prevention, detection and response	Fin	M					4
Commercial Issues							
Business Development	Fin/Perf	M					



Internal Audit Annual Plan 2024/25 - DRAFT

			Actual	Actual	Actual	Actual	Planned
	Category	Priority	20/21	21/22	22/23	23/24	24/25
			Days	Days	Days	Days	Days
Organisational Issues							
Risk Management	Perf	M				4	
Business Continuity	Perf	M					
Corporate Governance	Gov	L/M	4				
Corporate Planning	Perf	L/M				4	
Performance reporting / KPIs	Perf	M		4			
Partnership Working	Gov/Perf	L					
Equalities	Gov	M					
Environmental Sustainability	Gov/Perf	M/H			4		
Information and IT							
IT network arrangements	Perf	M	4				
Cyber Security	Perf	M			5		
Data protection	Gov	M		4			
FOI	Gov	L					
Systems development / implementation	Perf	M				5	
IT strategy	Perf	M					
Other Audit Activities							
Credits audit		Required	6	6	6	6	6
Bursary, Childcare and Hardship Funds		Required	6	6	6	6	6
Management and Planning)			4	4	4	4	4
External audit / SFC)							
Attendance at Audit & Risk Committee)							
Follow-up reviews		Various	3	3	3	3	3
ANA and Strategic Plan							
			39	49	42	45	45
Total			=====	=====	=====	=====	=====

Key

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

Priority: H – High; M – Medium; L – Low



Outline Scope and Objectives

Audit Assignment:	Student Recruitment and Retention
Priority:	High
Fieldwork Timing	February 2025
Audit and Risk Committee Meeting:	May 2025
Days:	5 days

Scope

We will conduct a review of the adequacy and effectiveness of the processes and procedures for managing and controlling student recruitment, covering the role of Student Advice and Support, Marketing, Student Records and Curriculum Areas.

This will include a review of early warning indicators to flag where recruitment targets are not being met.

For the purposes of this review student recruitment is those activities targeted at individuals who are actively weighing up the prospect of entering or continuing in further or higher education.

Objectives

The objectives of the audit will be to ensure that:

- there is appropriate senior management and Board oversight, including monitoring and reporting of information on student applications against targets to identify areas of poor recruitment, and identify possible actions;
- clear roles and responsibilities have been established that foster accountability for student recruitment;
- there is an agreed student recruitment strategy taking into account:
 - ◆ College strategic objectives, the Regional Outcome Agreement and Scottish Funding Council (SFC) outcomes;
 - ◆ agreed student recruitment targets;
 - ◆ equal opportunities;
 - ◆ widening participation;
 - ◆ admissions policy;

Audit Assignment:

Student Recruitment and Retention
(Continued)

Objectives (continued)

- an annual student recruitment plan is in place to define and coordinate recruitment activity including a recruitment lifecycle. Recruitment / promotional activities are:
 - ◆ planned;
 - ◆ activities are designed to be economic, efficient and effective;
 - ◆ underpinned by recruitment data and market intelligence;
 - ◆ coordinated;
 - ◆ reviewed, monitored and evaluated;
- knowledge, skills and training is provided to staff who are engaged in recruitment activity; and
- there are mechanisms to handle recruitment complaints and take remedial action, where necessary.

Our audit approach will be:

We will assess whether the above objectives have been met through discussions with student representatives and key staff, including the Vice Principal Curriculum and Quality and staff involved in marketing, student records and funding, including a sample of academic managers, and review of relevant documentation.



Audit Assignment:	Staff Recruitment, Retention, Succession Planning and Sickness Absence
Priority:	High
Fieldwork Timing	January 2025
Audit and Risk Committee Meeting:	May 2025
Days:	6 days

Scope

This audit will consider the adequacy and effectiveness of policies and procedures for staff recruitment and selection and the processes in place that contribute to the retention and engagement of staff, and arrangements for succession planning. We will also conduct a high level review of the arrangements for managing sickness absence.

Objectives

The objective of our audit will be to obtain reasonable assurance that systems are sufficient to ensure that:

Recruitment, Retention and Succession Planning

- there are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice;
- the College has appropriate policies and processes in place that contribute to the retention of staff, including good internal communication and employee engagement, reward and recognition, and ongoing training which are in line with good practice and being effectively implemented; and
- appropriate succession planning arrangements are in place.

Sickness Absence

- policies and procedures encourage effective management of sickness absence;
- policies and procedures are being followed in practice;
- there is an appropriate programme of training and guidance for line managers, to ensure that there is a consistent understanding and application of agreed policies and procedures; and
- information on sickness absence for management purposes is accurate, timely, and effectively reported at management and Board levels.

Our audit approach will be:

The College's policies and procedures will be reviewed, and the Head of Human Resources and other relevant managers and staff will be interviewed. Walk through and detailed compliance testing will be carried out to consider the overall efficiency and effectiveness of the procedures and the extent to which risks are being identified and managed regarding the above objectives.

Audit Assignment:	Estates Strategy – Capital Projects and Planned Maintenance
Priority:	Medium
Fieldwork Timing	December 2024
Audit and Risk Committee Meeting:	February 2025
Days:	6 days

The scope of the audit will be to review and test the policies and procedures in place for the planning, control and monitoring of capital and revenue funding on Estates projects relating to the College infrastructure and on the delivery of planned maintenance across the College estate. This review will focus on building infrastructure and will not review Soft Facilities Management services such as cleaning and grounds maintenance.

Objectives

The specific objectives will be to ensure that the policies and procedures in relation to Estates planning deliver meet the following requirements:

Capital Projects

- the capital project element of the Estates and Sustainability Strategy, has been developed and aligned with key strategic priorities and also takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy);
- the capital project identification and appraisal process has been clearly defined, including the information provided to management and the Board of Management and its committees for decision making purposes;
- there is adequate and proportionate risk management and contingency planning on capital projects;
- there is an effective process for the selection and management of consultants and contractors, including the tendering process and ongoing performance/contract management; and
- there is adequate monitoring of the progress made in delivering capital projects, by management and Board committees.

Planned Maintenance

- the planned maintenance element of the Estates and Sustainability Strategy, has been developed and aligned with key strategic priorities and also takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy);
- there are appropriate contractual arrangements in place to deliver the planned maintenance required across the full College estate;
- there are appropriate mechanisms to ensure that planned maintenance is delivered at the right time and to the right standard.

Audit Assignment:

Estates Strategy – Capital Projects and
Planned Maintenance (Continued)

Our audit approach will be:

We will review relevant documentation including, relevant Strategies, policies, procedures, capital project appraisal documents etc. relating to capital projects and planned maintenance and will discuss the procedures adopted with staff.

We will consider whether the policies and procedures are in line with good practice in relation to planning, control and monitoring of capital projects, for a sample of recent capital projects, we will test compliance with these. We will also examine the contractual arrangements and practical deliver of selected aspects of planned maintenance activity.

Audit Assignment:	Procurement and creditors / purchasing
Priority:	Medium
Fieldwork Timing	October 2024
Audit and Risk Committee Meeting:	November 2024
Days:	5 days

Scope

This audit will focus on the systems of internal control in place for the ordering of goods and services and the payment of invoices.

We will also consider whether the procurement strategy followed and procedures in place support best value purchasing across the College in relation to non-pay spend.

Objectives

The specific objectives of the audit will be to ensure that:

- the College's Procurement Policy, Strategy and procurement guidance are comprehensive, kept up-to-date and in line with the Procurement Reform (Scotland) Act 2014 ('the Act') and The Procurement (Scotland) Regulations 2016 ('the Regulations');
- procurement procedures ensure that:
 - ◆ areas of high spend across the College are monitored appropriately;
 - ◆ opportunities for pooling of expenditure are identified in order to achieve best value; and
 - ◆ collaborative procurements and frameworks available to the College are utilised where appropriate;
- purchase orders are completed for relevant purchases and are approved by members of staff with sufficient delegated authority prior to issue to suppliers, with the risk of unauthorised and excessive expenditure being minimised;
- the College's procurement guidance on quotes and tenders are being complied with;
- all liabilities are fully and accurately recorded;
- all payments are properly authorised, processed and recorded; and
- appropriate controls are in place over the amendment of standing supplier data on the finance system.

Our audit approach will be:

From discussions with Procurement staff, and a sample of budget holders, we will establish what procurement strategies, procedures and monitoring arrangements are in place within the College. These will then be evaluated to establish if they follow recognised good practice.

Audit Assignment:	Fraud Prevention, Detection and Response
Priority:	Medium
Fieldwork Timing	January 2025
Audit and Risk Committee Meeting:	February 2025
Days:	4 days

Scope

The scope of this audit will be to carry out a review of the corporate-wide anti-fraud framework in place within the College.

Objectives

The objectives of our audit will be to ensure that:

- anti-fraud policies and procedures exist within the College that are in line with best practice;
- clear leadership, roles and responsibilities have been set out for implementation of the anti-fraud framework;
- there is a process in place to assess the nature and extent of the College's exposure to potential external and internal risks of fraud;
- anti-fraud policies and procedures are embedded and understood throughout the College through appropriate training and communication;
- the College has put in place a process to monitor and review procedures designed to prevent fraud and make improvements where necessary;
- there are clear procedures for employees and Board members to raise concerns or whistleblow if they believe there has been fraud or other wrongdoing within the College; and
- appropriate procedures are in place for the investigation and reporting of a fraud.

Our audit approach will be:

From discussions with members of the College Senior Management Team and other responsible managers and staff, and review of documentation, we will establish the anti-fraud strategies, procedures and monitoring arrangements in place within the College. These will then be evaluated to establish if they are in accordance with legislation and best practice guidance.

Audit Assignment:	Credits Audit
Priority:	Required audit
Fieldwork to be conducted:	September 2025
Audit and Risk Committee Meeting:	November 2025
Days:	6

Scope

Credits Audit Guidance, issued by SFC, requests that colleges obtain from their auditors assurances as to the reasonableness of procedures used in the compilation of the Credits related element of the FES return.

Objectives

To obtain reasonable assurance that:

- 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
- the FES return contains no material misstatements.

Our audit approach will be:

Through discussion with College staff, and review of relevant documents, we will record the systems and procedures used by the College in compiling the returns and assess and test their adequacy. We will carry out further detailed testing, as necessary, to enable us to conclude that the systems and procedures are working satisfactorily as described to us.

Detailed analytical review will be carried out obtaining explanations for significant variations from previous year's activity.

Our testing will be designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to the Credits Audit Guidance and the key areas of risk identified in Annex D.

We will also review the final error report from the FES on-line checks.

Audit Assignment:	Student Support Funds
Priority:	Required audit
Fieldwork to be conducted:	September 2025
Audit and Risk Committee Meeting:	November 2025
Days:	6

Scope

We will carry out an audit on the College's student support funds for the year ended 31 July 2025 and provide an audit certificate. Three specific fund statements will require an audit:

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

Objectives

The audit objectives will be to obtain reasonable assurance that:

- the College complies with the terms, conditions and guidance notes issued by the SFC, SAAS and the Scottish Government;
- payments to students are genuine claims for hardship, childcare, bursary or EMA, and have been processed and awarded in accordance with College procedures; and
- the information disclosed in each of the returns for the year ended 31 July 2025 is in agreement with underlying records.

Our audit approach will be:

- Reviewing new guidance from the SFC, SAAS and the Scottish Government and identifying internal procedures through discussion with College staff, and review of relevant documents;
- Agreeing income to letters of award;
- Reconciling expenditure through the financial ledger to returns, investigating reconciling items;
- Reviewing for large or unusual items, obtaining explanations where necessary; and
- Carrying out detailed audit testing, on a sample basis, on expenditure from the funds.

Audit guidance issued by SFC will be utilised. This includes 'Areas of risk and audit considerations' for bursaries and for the discretionary funds and childcare, and 'Guidance on the audit requirements for EMA.'



Audit Assignment:	Follow-Up Reviews
Priority:	Various
Fieldwork to be conducted:	August 2025
Audit and Risk Committee Meeting:	September 2025
Days:	3

Scope

This review will cover reports from the 2023/24 internal audit programme and reports from earlier years where previous follow-up identified recommendations outstanding.

Objectives

To establish the status of implementation of recommendations made in previous internal audit reports.

Our audit approach will be:

- the recommendations made in previous reports ascertain by enquiry, review of supporting documentation or sample testing, as appropriate, whether they have been completed or what stage they have reached in terms of completion and whether the due date needs to be revised; and
- prepare a summary of the current status of the recommendations for the Audit and Risk Committee.



Appendix I – Previous Coverage and Overall Level of Assurance

	Year last reviewed by Internal Audit (HL)	Overall Level of Assurance
Reputation		
<i>Publicity and Communications</i>	2021/22	Good
<i>Health and Safety</i>	2022/23	Good
Student Experience		
<i>Curriculum planning</i>	2023/24	Good
<i>Quality assurance</i>	2021/22	Good
<i>Student support</i>	2021/22	Good
<i>Student recruitment and retention</i>	2019/20	Satisfactory
<i>Student Engagement / Students' Association</i>	Not previously reviewed by HL	
Staffing Issues		
<i>Staff recruitment and retention</i>	2018/19	Satisfactory
<i>Staff development</i>	2023/24	Good
<i>Sickness absence</i>	2020/21	Satisfactory
<i>Staff Utilisation</i>	2016/17	Satisfactory
<i>Workforce planning</i>	Not previously reviewed by HL	
<i>VS Scheme</i>	2015/16	Good
<i>Payroll</i>	2022/23	Good
Estates and Facilities		
<i>Building maintenance</i>	2017/18	Satisfactory
<i>Estates strategy / capital projects</i>	2021/22	Satisfactory
<i>Space management</i>	2015/16	Good
<i>Asset / fleet management</i>	2021/22	Satisfactory
<i>Facilities Operations</i>	Not previously reviewed by HL	
Financial Issues		
<i>Budgetary control</i>	2022/23	Good
<i>Financial planning</i>	2018/19	Good
<i>Student fees and contracts / registry</i>	2023/24	Good
<i>General ledger</i>	2016/17	Good
<i>Procurement and creditors / purchasing</i>	2020/21	Satisfactory
<i>Debtors/ Income</i>	2015/16	Satisfactory

Internal Audit Annual Plan 2024/25 - DRAFT

	Year last reviewed by Internal Audit (HL)	Overall Level of Assurance
Financial Issues (continued)		
Cash & Bank / Treasury management	2020/21	Good
Financial procedures – SPFM compliance	2015/16	Satisfactory
Fraud prevention, detection and response	Considered on all audits	
Commercial Issues		
Business Development	2019/20	Satisfactory
Organisational Issues		
Risk Management	2023/24	Good
Business Continuity	2019/20	Good
Corporate Governance	2020/21	N/A
Corporate Planning	2023/24	Good
Performance reporting / KPIs	2021/22	Good
Partnership Working / Regional Engagement	2016/17	Good
Equalities	Not previously reviewed by HL	
Environmental Sustainability	2022/23	Good
Information and IT		
IT network arrangements	2020/21	Good
Cyber Security	2022/23	Good
Data protection	2021/22	Good
FOI	Not previously reviewed by HL	
Systems development / implementation	2023/24	Satisfactory
IT strategy	Not previously reviewed by HL	
Other Audit Activities		
Credits audit	All years	
Bursary, Childcare and Hardship Funds	All years	
Follow-up reviews	All years	
ANA and Strategic Plan	2019/20	N/A

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.

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