Item 09.2
For Approval

Glasgow Kelvin College

Audit and Risk Committee – 23 March 2021

Audit Action Plan

Report by Director of 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' and 'medium' 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 will appear in the GAP.

2. Audit Action Plan

Appendix 1 provides the Audit Action Plan as at March 2021. The document has been updated to reflect the current position in respect of the recommendations listed in the plan.

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

- Business Development - Commercial and External Funding Activities, with a specific focus around European projects and the regional apprenticeship contracts;
- Sickness Absence; and
- Cash and Bank/Treasury Management.

The Externally Facilitated Effectiveness Review was also conducted and is reported separately at Agenda item 8.

The Procurement and Creditors/Purchasing audit is currently taking place.

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

Grade	June 2018	Sept 2018	Sept 2019	Nov 2019	March 2020	June 2020	Aug 2020	Nov 2020	March 2021
High	0	0	1	0	0	0	0	0	0
Medium	6	1	5	4	4	4	4	2	3

3. Resource Implications

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

4. 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.

5. Equality

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

6. Data Protection

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

7. Recommendations

Members of the Audit and Risk Committee are recommended to:

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

8. Further Information

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

LC/JE
Glasgow Kelvin College
March 2021

APPENDIX 1

Glasgow Kelvin College

Audit Action Plan

March 2021 (Medium/High Grade Recommendations)

This Audit Action Plan includes items taken from various audit reports issued to the College. Items are removed from the Audit Action Plan when the Audit and Risk Committee is satisfied corrective action has occurred. The items will be subject to further review by Auditors at a future date.

Student Activity Data Audit – October 2020

Original Recommendation	Grade	Date Added to Audit Plan	Initial Management Response	Corrective Action Required	Responsibility & Target Date	Management Progress	Auditor Review
Ensure that all enrolment data that confirms student eligibility for Credits funding, including confirmation of residency status, is captured during the enrolment process and subject to data integrity checking.	Medium	November 2020	Recommendation accepted	The recommendation will be implemented as stated	Responsibility Vice Principal – Curriculum & Quality Enhancement Target Date Process in Place by Dec 2020 and finalised by FES audit Sept 2021.	**November 2019** – MIS will continue to work with Faculty staff, Finance and partners to improve the collection and retention of evidence of residency and eligibility for credits funding. **March 2020 –** as above **June 2020** – as above **August 2020** – as above **November 2020** MIS and Finance Manager will introduce a process to ensure that MIS and the Finance Dept continue to work together to ensure the accuracy of the residency information in the system for a student. MIS will ensure that enrolment information is retained and available for audit **March 2021 -** Enrolment due to start following publication of SFC FES guidance estimated May 2021.	**Sept / 2021**

Student Support Funds – October 2020

Original Recommendation	Grade	Date Added to Audit Plan	Initial Management Response	Corrective Action Required	Responsibility & Target Date	Management Progress	Auditor Review
The College should review its procedure for identifying study materials costs for Bursary students to ensure that only costs relating to Bursary students, supported by purchase invoices and student funding records, are charged to the Bursary Fund.	Medium	November 2020	Recommendation accepted		Responsibility Finance Manager Target Date September 2020	**November 2020** – A new system has been introduced across all faculties which will identify bursary students when ordering goods. **March 2021 -** We continue to work to ensure that invoices are analysed and attributed to eligible students.	**Sept / 2021**

Business Development - Commercial and External Funding Activities – November 2020

Original Recommendation	Grade	Date Added to Audit Plan	Initial Management Response	Corrective Action Required	Responsibility & Target Date	Management Progress	Auditor Review
The Business Development Team is not the only area that bids for additional training income and provision of non-SFC funded learning within the College. The requirement to cover all College costs is a mandated element for all of these bids for additional income. However, there is no College wide standard cost calculation method for identifying and assessing these costs when bidding for external and non-SFC funded training.	Medium	March 2021	Recommendation accepted		Responsibility Director of Business Development/ Head of Finance Target Date 31 July 2021	**March 2021** – Work has already commenced to address this recommendation and this will be further developed over the next few months.	**July / 2021**

Completed & Planned Audits

- Business Development - Commercial and External Funding Activities, with a specific focus around European projects and the regional apprenticeship contracts. **Note** – this had been scheduled for 22 April 2020 but this was unable to take place due to COVID-19 and the buildings being closed. This took place early November 2020. **Report on Audit and Risk Committee Agenda of 23 March 2021.**
- Sickness Absence – this took place w/b 7 December 2020. **Report on Audit and Risk Committee Agenda of 23 March 2021.**
- Cash and Bank / Treasury Management – this took place w/b 18 January 2021. **Report on Audit and Risk Committee Agenda of 23 March 2021.**
- Externally Facilitated Effectiveness Review - this took place with D Archibald attending the December 2020 Board of Management meeting and undertaking individual interviews with Board members over January/February 2021 - 6 days work in total for the EFER. **Report on Audit and Risk Committee Agenda of 23 March 2021.**
- Procurement and Creditors/Purchasing – scheduled to take place in March 2021. Report awaited.
- IT Network Arrangements – scheduled to take place w/b 10 May 2021.
- Credits Audit – scheduled to take place w/c 20 September 2021.
- Student Support Funds – scheduled to take place Sept/Oct 2021.