Item 8
For Approval

Glasgow Kelvin College

Audit and Risk Committee Meeting of 22 February 2022

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 February 2022. 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:

- **Student Support.**

Note: Quality Assurance was scheduled to take place in November 2021 (with a report due to the Audit and Risk Committee on 22 February 2022) but this audit was delayed and will, instead be undertaken in February 2022 with a report to the Audit and Risk Committee in May 2022.

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

Grade	Nov 2019	Marc 2020	June 2020	Aug 2020	Nov 2020	March 2021	June 2021	Sept 2021	Nov 2021	Feb 2022
High	0	0	0	0	0	0	0	0	0	0
Medium	4	4	4	4	2	3	3	1	3	2
Low[1]	-	-	-	-	-	-	-	6	2	2

1 As reported to the Audit and Risk Committee on 21 September 2021, the number of outstanding Low recommendations will be reported to the Audit and Risk Committee so these can be tracked, but a separate Action Plan will not be provided.

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 at Appendix 1.

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
February 2022

Appendix 1

Glasgow Kelvin College - Audit Action Plan

February 2022 (Low/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.

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**
A standard methodology or ready reckoner should be developed and implemented across the College to ensure that all additional training delivered by the College, including non-SFC training or learning, is accurately costed and all relevant financial implications are accurately identified, factored into decision making and recovered.	2 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. **June 2021** - Management Accountants from the Finance Team are now involved in the costing of new commercial activity to ensure a robust and consistent approach. This is now being applied to projects that sit out with the Business Development/ Commercial team activity but have an element of commercial income attached to them. Methodology for calculating commercial margins has been tightened too, to ensure the College can maximise income here. **September 2021 –** A costing model has been developed to ensure that all aspects of commercial courses are accurately identified. The final version of this model is awaiting approval by college SMT is expected to be introduced by 1 October 2021. **November 2021 -** The proposed costing methodology has been developed and has been tested against a number of scenarios by the commercial team. This testing phase is drawing to a close with final changes to be discussed and agreed prior to submission to SMT for approval before Christmas. **February 2022 –** Finalisation delayed due to resource issues. Will be shared with SMT in February.	**July / 2021**

Student Activity Data (Credits Audit) – Issued: 15 November 2021							
Original Recommendation	**Grade**	**Date Added to Audit Plan**	**Initial Management Response**	**Corrective Action Required**	**Responsibility & Target Date**	**Management Progress**	**Auditor Review**
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 Medium	23 Nov 21	Recommendation accepted		Responsibility MIS Manager Target Date Process in place by end of Block One (Dec 2021) and finalised by audit **Sept 2022.**	**November 2021** – 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 Additionally, at the end of teach 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. Process in place by end of Block One (Dec 2021) and finalised by audit Sept 2022. **February 2022 -** Head of SIS met with all teaching staff involved with delivering the Distance Learning curriculum and advised of the procedures and processed that were required to enable credits to be claimed for this type of programme. At the end of the first block (Dec 2021), 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. The next audit will be carried out in March 2022, at the end of block two.	

Student Support Funds – Issued: 15 November 2021							
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.	2 Medium	23 Nov 21	Recommendation Accepted		Responsibility Finance Manager Target Date September 2020	Information on the fee status of students is shown on Columbus, which is available to all staff prior to placing an order. Guidance to staff on placing orders for bursary students has been updated. A request has been logged with ICT for further development in respect of Power Bi reports extracting live data from the student support fund software system TeQuios. Also, invoices charged to bursaries are checked and costs for non-eligible students have been recharged to the faculty budget. No issues noted from testing in 2020/21. **November 2021 -** Fully Implemented	

Completed & Planned Audits

- Student Support – December 2021. **Report on the Audit and Risk Committee agenda of 22 February 2022**
- Publicity & Communications – January 2022. **Report on the Audit and Risk Committee agenda of 17 May 2022**
- Data Protection – scheduled to take place February 2022. **Report on the Audit and Risk Committee agenda of 17 May 2022**
- Quality Assurance – scheduled to take place February 2022. **Report on the Audit and Risk Committee agenda of 17 May 2022**
- Performance Reporting / KPIs – scheduled to take place March 2022. **Report on the Audit and Risk Committee agenda of 17 May 2022**
- Asset / Fleet Management – scheduled to take place April 2022. **Report on the Audit and Risk Committee agenda of 17 May 2022**
- Estates Strategy / Capital Projects – scheduled to take place May 2022. **Report on the Audit and Risk Committee agenda of September 2022**
- Credits Annual Audit – scheduled to take place August / September 2022. **Report on the Audit and Risk Committee agenda of November 2022**
- Bursary, Childcare and Hardship Annual Audit – scheduled to take place August / September 2022. **Report on the Audit and Risk Committee agenda of November 2022**