

Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 26 March 2024
Paper Title	Internal Audit Recommendations
Agenda Item	6
Paper Number	AAC3-B
Responsible Officer	Jim Godfrey, Finance and Resources Director
Status	Disclosable
Action	For noting

1. Executive Summary

- 1.1.** The report provides the committee with the opportunity to consider the report, which reviews previous internal audit recommendations.

2. Recommendations

- 2.1.** The Committee is invited to **note** the progress made against the previous internal audit recommendations.

3. Report

3.1. The amended internal audit recommendations were approved by this committee at its previous meeting. The attached annex provides an update of progress against these recommendations.

4. Risk and Compliance Analysis

4.1. The work of the internal auditor is informed by an assessment of risk. The approach to audit planning reflects an overall assessment of the relevant risks that apply to GCRB. This ensures that the audit focuses on the areas of highest risk.

4.2. There are no legal implications because of this report.

5. Financial and Resource Analysis

5.1. There are no financial implications because of this report. However, the implementation of these recommendations will require the investment of time and potentially additional cost.

6. Equalities Implications

6.1. There are no equalities implications as a direct result of this report.

7. Learner Implications

7.1. Through the conditions of grant associated with the Regional Outcome Agreement, GCRB is required to conduct its affairs in accordance with the expected standards of good governance, which includes independent scrutiny and audit.

Progress of internal audit recommendations

Internal audit report	Revised Recommendation	Updated Management Response
<p>Shared Services</p> <p>Report 2020/03 issued in November 2020</p> <p>Stakeholder Mapping / Engagement</p> <p>Report 2021/05 issued in January 2022</p> <p>Influencing ROA Development</p> <p>Report 2022/07 issued in January 2023</p>	<p>Combined R4, R1 and R1 - The role of stakeholders in developing and agreeing the suite of performance metrics and targets, which will be used to monitor delivery of the Regional Strategy, should be defined in a way which clearly articulates the elements which are set nationally and the process for developing the elements which can be set locally. This work should include the development of specific performance metrics and targets for stakeholder engagement and partnership working which will allow the impact of this activity to be measures and reported on. In addition, a Stakeholder Communication Plan should be developed, as an integral part of the planning process for future iterations of the ROA, to ensure effective and comprehensive engagement with key stakeholders moving forward.</p>	<p>The recommendation has been shared with SFC to inform on-going development work on the replacement of the Outcome Agreement approach.</p> <p>Stakeholder mapping and communication element completed and under implementation. Working group has been formed, including GCRB Executive Director, GCRB Finance and Resources Director, GCRB non-executive directors and representative assigned college chair. Working group considering specifics of recommendation, future Glasgow articulation of outcomes and impact, and also engaging with SFC on current development of future OA, ensuring effective Glasgow contribution to process. At the same time, GCRB and Glasgow colleges' learning and teaching leads will meet with QAA in early 2024 to further develop specific elements.</p> <p>(Executive Director to provide further verbal update at the meeting on 26 March 2024)</p> <p>Revised completion date: 5 April 2024</p>

Progress of internal audit recommendations

Internal audit report	Revised Recommendation	Updated Management Response
<p>GCRB Organisation Specific Governance</p> <p>Report 2022/02 issued in May 2022</p>	<p>R2 – The next iteration of the Financial Memorandum between the relevant governance body and the three Glasgow Colleges should clearly articulate the role of the appropriate governance mechanism in evaluating and reporting significant events.</p>	<p>The revised Financial Memorandum is awaited from the Scottish Funding Council. A draft version has been prepared and is currently subject to review before being issued (by the Scottish Funding Council). Once this is available, we can review, and incorporate as appropriate, the governance mechanism for evaluating and reporting significant events.</p> <p>Revised completion date: 31 July 2024</p>
<p>Disaster Recovery</p> <p>Report 2022/06 issued in January 2023</p>	<p>R1 – All three Colleges should be asked by the relevant governance body to complete an annual return which confirms that there are effective disaster recovery arrangements in place and that these have been subject to appropriate testing during the year in question. The lessons learned from these testing exercises should also be gathered from each of the Colleges to allow the relevant governance body to determine whether a shared Glasgow-wide approach would be beneficial to address any issues identified. The outcomes from this annual exercise should be reported to the relevant governance body.</p>	<p>The annual returns will be sent by the Executive Director (to college principals). This will be incorporated into the annual certificates of assurance.</p> <p>Revised completion date: 31 March 2024</p>
<p>Financial Sustainability</p> <p>Report 2023/02 issued in October 2023</p>	<p>R1 – As part of the 2024/25 budget setting process a collaborative session should be convened, involving board members from GCRB and senior managers from GCRB and each of the regional Colleges, to assess the scale and nature of the financial risks facing the Glasgow region, and to identify pan-regional solutions which could help in delivering the cash releasing savings required to achieve a financially sustainable model for the Glasgow region while meeting the needs of learners.</p>	<p>Date for collaborative session to be set (the board may wish to consider if the appropriate time for this to take place is when the new college chairs are in place).</p> <p>Completion date: 30 April 2024 (subject to revision as per comment above)</p>