

Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 30 May 2023
Paper Title	Updates from Assigned College Audit Committees
Agenda Item	9
Paper Number	AAC4-D
Responsible Officer	Martin Boyle, Executive Director
Status	Disclosable
Action	For noting

1. Executive Summary

- 1.1** Consider updates on key items of business undertaken by the audit committees of the assigned colleges.

2. Recommendations

- 2.1** The Committee is invited to **note** this report and the audit updates provided by two of the assigned Glasgow colleges.

3. Background

- 3.1** The Committee receives updates from the audit committees of the assigned colleges on key matters considered at each of their meetings, in order to support identification of opportunities for cross-region collaboration in areas of shared interest.

4. Risk and compliance implications, financial and resources implications, equalities implications and learner implications

- 4.1** Other than as reported, there are no specific aspects to be considered under these headings.

Update from Assigned College Audit Committees

College: City of Glasgow College

Date of Meeting: 20 March 2023; 23 May 2023

Topic of Discussion	Summary and Outcome of Discussion	Impact on GCRB (if any)
20 March 2023		
Ex-Employee Fraud Report Update	Members considered a legal advice note received by solicitors and discussed whether the College should pursue recovery of funds from the individual. The Committee agreed to seek additional advice to inform any decision before taking the matter to the Board, if necessary.	Governance assurance
Assurance Framework Review	The Committee approved the Assurance Framework and agreed to consider the Assessment of Sources of Assurance at a future meeting.	Governance assurance
Freedom of Information Report 2021-22	Members reviewed the College’s Freedom of Information figures for the previous academic year.	Governance assurance
Internal Audit Progress Report	Members received an update on the progress of the annual internal audit plan and noted changes to include the College’s company.	Internal audit assurance
Strategic Risk Review	The Committee considered the Strategic Risk Register and Management Action Plans.	Governance assurance
Financial Memorandum Breach	Members were informed of correspondence from the SFC notifying the College that it had breached the Financial Memorandum. The Principal notified the College’s internal auditors. The Committee agreed to consider a report on the matter at its next meeting.	Governance/internal audit assurance
24 May 2023		
Ex-Employee Fraud Report Update	Members considered the additional legal advice note from the College’s solicitors, which included timescales, costs and the likelihood of recovering funds. After a discussion, the Committee agreed not to recommend pursuing the individual for recovery of funds.	Governance assurance
Internal Audit Reports:	The Committee considered a suite of internal audit reports concerning environmental sustainability, building contract management and planned	Internal audit assurance

Environmental Sustainability Building Contract Management Planned Maintenance	maintenance. Members welcomed that all three internal audits received 'good' overall conclusions, the highest level of assurance attainable.	
Financial Memorandum Breach	The Committee considered a report on the recent breach of the Financial Memorandum in a private session with the College's internal auditors. Members agreed to schedule an additional meeting to discuss the findings and recommendations of the report with the Principal and Executive.	Governance/internal audit assurance
Internal Audit Progress Report	Members received an update on the progress of the annual internal audit plan and noted the planned reports for the next academic year.	Internal audit assurance
External Audit Plan 2022-23	The Committee considered the annual audit plan for 2022-23 from the College's new external auditors, Audit Scotland.	External audit assurance
Strategic Risk Review	The College's Strategic Risk Register and the Management Action Plans were tabled for the Committee's consideration. Members noted updated MAPs and agreed to defer the review of the recently increased score of the corporate governance risk to the next meeting where the report on the breach of the Financial Memorandum will be discussed with the Executive.	Governance assurance

**Update from Assigned College Audit Committees
Glasgow Kelvin College Audit & Risk Committee 16 May 2023**

Please note agenda and all papers are published on the College web site 1 week after the meeting date except where they need to be withheld from the public domain.

Topic of Discussion	Summary and Outcome of Discussion	Impact on GCRB (if any)
Internal Audit Reports	<p><u>Budgetary Control and Financial Planning</u> Members noted with delight the report from Internal Audit that had been graded as 'Good' with no recommendations made.</p> <p><u>Health and Safety</u> Members noted with delight the report from Internal Audit that had been graded as 'Good' with no recommendations made.</p> <p><u>Payroll</u> Members noted with delight the report from Internal Audit that had been graded as 'Good' with no recommendations made.</p>	Provides GCRB with assurance of the receipt of extremely positive audit reports with no recommendations made.
Internal Audit Progress Report and Audit Action Plan	<p><u>Internal Audit Progress Report</u> The above report provided a complete overview of the various internal audit reports presented to the Committee and the plan throughout the remainder of the academic year 2022/23.</p> <p><u>Audit Action Plan</u> The Audit Action Plan was discussed in detail. It denoted 25 low level actions and 1 medium level action (including all associated text.) The College considers the 1 medium level action to be fully complete and 12 of the low-level actions fully complete with another 3 partially implemented. It was noted that the SMT members review this document fortnightly in order that audit recommendations can be actioned and deadlines adhered to.</p>	<p>Provides GCRB with assurance of monitoring of internal audit reports and progress.</p> <p>Provides GCRB with assurance that audit recommendations are being tracked rigorously by members of SMT to ensure adherence to audit deadlines with full and transparent</p>

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	Members noted this plan and the detail contained therein. This was an improvement in terms of full tracking of all audit recommendations.	reporting being made to Audit and Risk Committee members.
Risk Management Update	<p>Members received a very full and comprehensive update on all matters affecting risk across the College including Risk Management Activities, Risk Management Committee papers reviewed, previous Risk Management Committee approved minutes and an overall report on the context the College was operating in i.e. cost of living crisis, inflation levels, College Operating Plan, Voluntary Severance Scheme, lack of funding i.e. £26 million now not forthcoming, West End Campus closure, cladding at Springburn Campus, Fire Risk Assessment reports, Covid/long Covid - ongoing impacts including negative effects of lockdown on many people, impact of strike actions/action short of strike action, cyber threats, land at Springburn, food poverty and impact of energy costs.</p> <p>Members received an overview of the very negative social and economic impacts on the disadvantaged communities the College serves. Team Risk Registers were also noted. A separate risk register for the West End Campus has been prepared which is reviewed fortnightly by several college managers.</p> <p>The College Risk Register was discussed; it was noted that scores had been fully reviewed by the Risk Management Committee and Senior Management Team and some had changed. A new risk (risk 14) has been added i.e. Artificial Intelligence as the impact of this from a positive and negative point of view is currently being explored. changed. Some of the wording that had changed was denoted in red text for ease of location.</p>	Provides GCRB with notification of the various risks that the College are considering and provides assurance that Audit and Risk Committee members are receiving sight of all relevant documentation. Also, that the Risk Management Committee members have been fully involved in all risk considerations. All papers available to the Audit and Risk Committee members.

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Corporate Governance Update	<p>Members received a corporate governance update in relation to the following areas – College Insurance renewal paperwork submitted timeously, Land at Springburn – dialogue is continuing with Hydepark Residents Association, Environmental and Sustainability application to the Energy Efficiency Grant Scheme had been successful which will enable the College to action their Climate Change Action Plan and Race to Zero Action Plan, Deposit and Return Scheme has been delayed by the Scottish Government until March 2024, the College was going through a tender process in respect of its catering operation, the College OSCR return was made in a timeous manner, the College has read the UK Government’s first draft of the Terrorism (Protection of Premises) Bill this will be known as Martyn’s Law. A training exercise will be conducted to take this into account to ensure public safety. In respect of the closure of the West End Campus planning is ongoing in respect of curriculum moves to other campus locations, the amended Code of Good Governance is being worked through at present and would be finalised ahead of the June 2023 Board of Management meeting.</p>	<p>Provides GCRB with assurance of College governance operations and other considerations being made in this arena. Adherence and overview of all relevant documents are being attended to prudently.</p>
Governance Action Plan (GAP)	<p>Members noted the updated GAP which covered key actions deriving from – the Code of Good Governance for Scotland’s Colleges, Guidance Notes for Boards in the College Sector, issues identified through audit processes, developments identified internally and through the Board’s annual self-evaluation, items for improvement identified through the Externally Facilitated Effectiveness Review. Completed actions denoted in green.</p>	<p>Provides GCRB with assurance of College governance operating in an effective way and logging actions and reporting back on progress made.</p>
Lessons Learned – City of Glasgow College	<p>Members noted that various members of management had gone through this document in detail to consider if something similar could occur within Glasgow Kelvin College; notes relating to each point had been provided and the Audit and Risk Committee were content with controls in place within Glasgow Kelvin College.</p>	<p>Provides GCRB with assurance of College taking due cognisance of such key reports and conducting necessary checks to ensure a similar situation could not occur within Glasgow Kelvin College.</p>

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National Fraud Initiative	<p>Audit and Risk Committee received an update in respect of College participation in the National Fraud Initiative (NFI).</p> <p>Of the 14,117 invoice transactions uploaded to the database, 156 transactions were queried, all have been investigated and closed.</p> <p>There have been no frauds identified by the NFI in the year.</p>	Provides GCRB with assurance of College conducting necessary checks to detect and prevent fraud.
Self-Evaluation Session held at the end of the meeting.		Provide assurance to GCRB of compliance with the Code of Good Governance.

Update from Assigned College Audit Committees

College: Glasgow Clyde College

Date of Meeting: 31 May 2023

Topic of Discussion	Summary and Outcome of Discussion	Impact on GCRB (if any)
Internal Audit Plan 2022/23 Progress Report	This report from Henderson Loggie provided a summary of the progress against plan for internal audits for 2022/23, showing that all six specific internal audit report areas have been completed and the one remaining report is the annual follow up report which is due in June.	
Internal Audit Report on Curriculum Virtual Learning Environment Platform	The scope of this internal audit was to review the learning technologies utilised in the College's libraries and classrooms and the use of digital learning tools to enhance the learner experience. The overall level of assurance of the internal audit report was assessed as good with two low priority recommendations.	
Internal Audit Report on Performance Reporting/ KPIs	The scope of this area of internal audit work was to consider the format, context and timeliness of management information, both financial and non-financial, provided to senior management and the Board. The overall level of assurance of the internal audit report was assessed as good with three low priority recommendations.	
Internal Audit Report on Bring Your Own Device (BYOD)	The scope of this area of internal audit work was to consider whether the College BYOD initiative in its current form is the best use of resources and is being appropriately managed. The overall level of assurance of the internal audit report was assessed as satisfactory with one medium priority and one low priority recommendation.	

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Internal Audit Plan for 2023/24	This paper provided the annual operating plan for the year ending 31 July 2024. This plan is based on the proposed allocation of audit days for 2023/24 (58days in total including 20 days of student support funds and credits audits plus management planning and follow up review).	
College Assurance Framework/ Certificate of Assurance	This paper was a summary of the College Assurance Framework, the College Assurance Mapping and the annual Certificate of Assurance Process. A copy of the College 2022/23 signed Certificate of Assurance was attached to this paper.	The College's signed Certificate of Assurance was submitted to GCRB as part of the annual assurance process.
Lessons Learned Report from City of Glasgow College	This paper provided to the Committee a summary of the six recommendations plus the eight wider potential control issues for the sector following the ICT fraud in 2019 at City of Glasgow College. The Glasgow Clyde College position was given against each of these to assure the Committee of the controls in place.	May be useful for a summary report/ feedback on the recommendations and control issues and current status for each Glasgow College to be reported to GCRB.
Approval of Accounting Policies	This was the annual review of accounting policies for approval prior to the external audit process.	
External Audit Planning Memorandum for 2022/23	This report provided the plan from the new external auditor, Audit Scotland, for the forthcoming external audit of the financial year 2022/23, which will be undertaken in October and reported to the Committee in November.	
College Strategic Risk Register	This report provided the updated College Strategic Risk Register, which is reported to each Audit Committee	.

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Climate Change Action Plan Update	This paper provided an update to the Committee on the College's progress on the actions in the Climate Change Action Plan which is being reported to each Audit Committee meeting. The two attachments to the action plan update are a progress report on the action plan and the quarterly emissions reporting pack.	The College continue to work with the regional sustainability officer as part of the Regional Green Team to consider regional activity, plans and carbon literacy training.
Fraud Response Plan	This paper provided the Fraud Response Plan to the Committee for its annual review process.	
Cyber Security Update	This was a report to the Committee on Cyber Security as part of the six monthly update reports to Committee on Cyber Resilience.	
Internal and External Audit Rolling Action Plan	This paper was the regular update report to Committee on implementation of previous internal and external audit recommendations. This rolling plan is reported to each Committee.	
Audit Committee Schedule of Work	This was a summary of the Schedule of Work for the Committee which is reported to each meeting.	