

Board of Management Audit & Assurance Committee

Date of Meeting	Tuesday 29 November 2022
Paper No.	AAC2-F
Agenda Item	5.6.1
Subject of Paper	Internal Audit Report – 2021-22 Student Activity Data
FOISA Status	Disclosable
Primary Contact	Henderson Loggie
Date of production	17 November 2022
Action	For Discussion and Decision

Recommendations

The Committee is asked to consider and discuss the report.

1. Purpose of report

The purpose of this review is to provide management and the Audit and Assurance Committee with assurance on key controls relating to the curriculum and financial plans in place for City of Glasgow College and their alignment with the regional plan for Glasgow and the college student number targets.

2. Context and Discussion

This internal audit of Student Activity Data provides an outline of the objectives, scope, findings.

The report concluded that, in the opinion of internal audit:

- 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
- we can provide reasonable assurance that the FES return is free from material misstatements.

3. Impact and implications

Refer to internal audit report.

City of Glasgow College

2021/22 Student Activity Data

Internal Audit report No: 2022/07

Draft issued: 8 November 2022

Final issued: 17 November 2022



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Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 16 August 2022, '*FES Return and Audit Guidance 2021-22*' requested submission by City of Glasgow College ('the College') of the FES return for session 2021/22, which includes the Credits data relating to College activity for the academic year 2021/22.

Guidance on completion of the 2021/22 return was issued by the SFC on 2 August 2021.

The Credits Audit Guidance requests that colleges obtain from their auditors their independent opinion on the accuracy of the FES return.

Scope of the Audit

In accordance with the Credits Audit Guidance we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Price Group.

Our testing was designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to Credits Audit Guidance, COVID-19 related guidance at Annex D and the key areas of risk identified in Annex E.

Audit Staffing

An Audit Director with 29 years' experience in the further and higher education sectors had overall responsibility for the planning, control and conduct of the audit and supervised and reviewed work performed by a Manager with 17 years' experience in the sector.

The quality of audit work undertaken by the firm is enhanced through continuous review of procedures and the implementation of individual training programmes designed to address the needs of each team member.

The total number of audit days was 6, split 1 day for the Audit Director and 5 days for the Manager.

Audit Findings

The points that we would like to bring to your attention have been grouped together under the following headings to aid your consideration of them:

- Introduction
- Systems and Procedures for Compilation of Returns
- Analytical Review

The action that we consider necessary on each issue is highlighted in the text for clarity and an action plan for implementation of these recommendations can be found in section 2.



Audit Findings (continued)

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

Priority 1	Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit and Assurance Committee.
Priority 2	Issue subjecting the College to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Conclusion

Our report was submitted to the SFC on 26 October 2022. We reported that, in our opinion:

- 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
- we can provide reasonable assurance that the FES return is free from material misstatements.

A copy of our Audit Certificate is included at Appendix I to this report.

Acknowledgments

We would like to take this opportunity to thank the staff at the College who helped us during our audit review.



Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date
2.2.2	<p><i>Systems and Procedures for Compilation of Returns</i></p> <p>Work Based Learning</p> <p>R1 Ensure that Credits claimed for students on work-based learning programmes are based upon the value of the enrolled units which reflect the students discrete course record held by tutors and assessors, and not based upon a default tariff.</p>	3	We have already raised these issues with the delivery department. We will agree a more robust process for recording and monitoring work-based learning training.	Yes	Vice Principal Corporate Services	March 2023



Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 16 August 2022 sets out, at Annex E, the key areas of risk in relation to the preparation of the FES return. These are:

- identification of non-fundable activity, both courses and students.
- classification as higher education or further education.
- classification as full-time or other than full-time.
- identification and counting of infill students.
- allocation of Price Group code.
- capturing of enrolments and identification and recording of student withdrawals.
- allocation of Credit values.
- claims for related study.
- recording of fee waivers.
- recording of progress for students on open / distance learning programmes.
- claims for non-accredited work experience / placement; and
- claims for collaborative provision.

1.1.2 For academic year 2021/22 we established that there had been no significant changes to the systems and procedures used in the compilation of the returns although there was a change in the College team responsible for the FES data and return due to the loss of a key staff member during the year. We then carried out detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily. Detailed analytical review was carried out, including a comparison with last year's data, and obtaining explanations for significant variations by Price Group.

1.1.3 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; an indication of analytical review work performed; the extent of checking undertaken; the external data examined; review of prior year recommendations; and the main findings from our audit work. As requested by the guidance, the report also includes a summary of adjusted and unadjusted errors found during the course of the audit.



2. Systems and Procedures for Compilation of Returns

2.1 Introduction

- 2.1.1 Detailed testing at the year-end Credits audit included two main tests on courses and individual students.
- 2.1.2 The following tests were carried out for a sample of 15 courses selected from the UNIT-e system:
- a) Ensured that the course met the criteria for fundable activity set out in the Credits guidance.
 - b) Where applicable, ensured that the course met the definition of further or higher education set out in the Credits guidance.
 - c) Ensured that courses recorded as full-time met the definition for full-time as set out in the Credits guidance.
 - d) Checked the student total for a programme against course / class lists or course / class register. Checked calculation of the required date and ensured that students who had withdrawn prior to this date had been excluded from the Credits count; and
 - e) Checked allocation of Credits to courses is in accordance with the Credits guidance.
- 2.1.3 For a total of 60 students selected from the above courses the following tests were carried out, where applicable:
- a) Ensured that the student met the criteria for fundable activity set out in the Credits guidance.
 - b) Checked back to signed enrolment forms, or electronic equivalent, for the 2021/22 academic year.
 - c) For infill courses, ensured that Credits were allocated according to the modules attended by individual students rather than by the default value for the courses being infilled.
 - d) Checked to student attendance / engagement records and, for withdrawals (including a further sample of 15 full-time students who withdrew within two weeks after the Credits qualifying date), checked that the withdrawal date noted on the system was the last date of physical attendance; and
 - e) For students undertaking work experience ensured that the credits value had been calculated in line with the Credits guidance.
- 2.1.4 The following tests were carried out by reviewing records for all College courses:
- a) Confirmed that there were no claims for more than one full-time enrolment per student for 2021/22 and ensured that Credits had not been claimed in respect of courses that were related in respect of subject area, unless progression could be clearly established;
 - b) Confirmed that there were no claims for overseas students and students enrolled on full cost recovery commercial courses; and
 - c) Confirmed that Credits had not been claimed for distance learning students resident outwith Scotland.
- 2.1.5 In relation to European Social Funds (ESF), for a sample of 10 students selected from the College's ESF funded programmes, testing was carried out on the College's systems for administering the additional funding, in line with conditions of grant. This included:
- a) reviewing the eligibility of students flagged for ESF Credits;
 - b) ensuring that supporting documentation was held for ESF students, including: a completed participant form; proof of nationality and appropriate notification issued to the student; and
 - c) ensuring that Credits are only claimed for completed modules.



2. Systems and Procedures for Compilation of Returns (continued)

2.1 Introduction (continued)

- 2.1.6 We reviewed the systems for recording fee waiver entitlement and carried out an analytical review to ensure the accuracy of the fee waiver element of the FES return. For a random sample of 10 part-time students we confirmed that College staff had verified the entitlement to benefit.
- 2.1.7 It was confirmed by the College that no collaborative provision was undertaken during the year for which Credits were claimed and no such courses were identified during our audit testing. No further work was therefore required in this area.
- 2.1.8 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors.
- 2.1.9 From our review and testing of the systems and procedures used in the compilation of the returns, we concluded that overall, they were adequate to minimise risk in the areas identified in Annex E of the Credits Audit Guidance and were working satisfactorily as described to us.
- 2.1.10 The remainder of this section discusses issues identified during our review of the 2021/22 student activity data.

2.2 Work Based Learning

- 2.2.1 The Credits guidance requires that when a programme is delivered by flexible learning methods and the subjects involved have a nominal duration, the planned learning hours per student are derived from the duration of the subjects on which the student has both enrolled and completed within the session. Records of work of such students which record formal progress against a schedule with milestones agreed at enrolment must be maintained.
- 2.2.2 For one work-based learning programme (SVQ Social Services Children and Young People) included in our sample, we noted that the Credits claimed for two work-based learning students did not reflect the underlying assessor / tutor records of actual Credits undertaken / achieved in the year. A review of student achievements noted that a total of 12 Credits had been overclaimed. A further review of work-based learning SVQ programmes was performed by the College which resulted in a total of 79 Credits being removed from the final Credits claim for the work-based programmes.

Recommendation

R1 Ensure that Credits claimed for students on work-based learning programmes are based upon the value of the enrolled units which reflect the students discrete course record held by tutors and assessors, and not based upon a default tariff.



3. Analytical Review

3.1 The analytical review by Price Group for the current year, included at Appendix III of this report, showed significant variances in Price Groups 1, 2 and 5. These were discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:

- Price Group 1: decrease of 2,397 Credits due a reduction in HE Full Time provision of approximately 150 enrolments. This was partially offset by an increase in the FE Part Time provision of approximately 210 enrolments;
- Price Group 2: increase of 5,507 Credits due to a substantial increase in FE Part Time provision of approximately 3,600 enrolments; and
- Price Group 5: increase of 1,040 Credits due to an increase in FE Part Time provision of approximately 350 enrolments.



Appendix I – Copy of Audit Certificate

City of Glasgow College
City Campus
190 Cathedral Street
Glasgow
G4 0RF

26 October 2022

Dear Sirs

Auditor's Report to the Members of the Board of Management of City of Glasgow College

We have audited the FES return which has been prepared by City of Glasgow College under SFC's Credit Guidance for colleges issued 2 August 2021 and which has been confirmed as being free from material misstatement by the College's Principal in his Certificate dated 24 October 2022. We conducted our audit in accordance with guidance contained in the 2021-22 audit guidance for colleges. The audit included an examination of the procedures and controls relevant to the collection and recording of student data. We evaluated the adequacy of these controls in ensuring the accuracy of the data. It also included examination of evidence relevant to the figures recorded in the student data returns. We obtained sufficient evidence to give us reasonable assurance that the returns are free from material misstatements.

In our opinion:

- 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
- we can provide reasonable assurance that the FES return is free from material misstatements.

Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

26 October 2022

Date FES returned: 17 October 2022



Appendix II – Summary of Adjusted and Unadjusted Errors

Report Para	Error identified	Adjusted/unadjusted	Approx. Value
2.2.2	Credits claimed for work-based learning students did not reflect the underlying assessor / tutor records of actual Credits undertaken / achieved in the year.	Adjusted	-79 Credits



Appendix III – Price Group Analytical Review 2020/21 and 2021/22 – Figures

Price Group	2020/2021		2021/2022		Variance	Variance
	Credits		Credits		Credits	%
1	46,310		43,913		(2,397)	(5.2)
2	80,488		85,995		5,507	6.8
3	57,705		58,091		386	0.7
4	0		0		0	0
5	3,607		4,647		1,040	28.8
	188,110		192,646		4,536	2.4

College Funded Target 2021/22:

194,219 Credits

The above target figure includes:

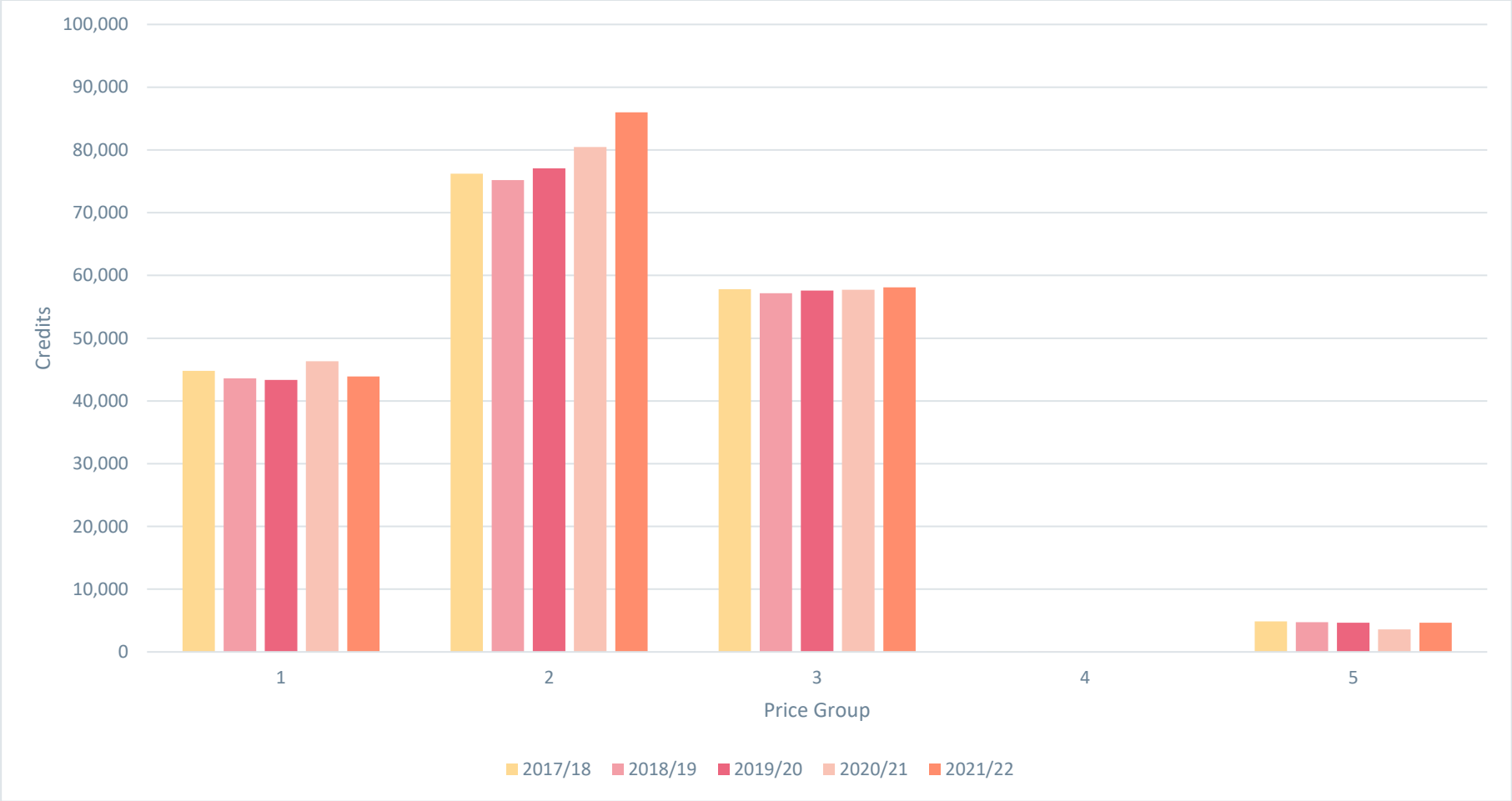
172,350 Core Credits, 1,282 Foundation Apprenticeships, 3,266 Deferred students, 10,000 YPG/NTTF and 7,321 ESF

Final claimed 2021/22:

192,646 Credits (including 167,831 Core Credits, 1,245 Foundation Apprenticeships, 5,657 Deferred students, 10,575 YPG/NTTF and 7,338 ESF)



Appendix IV – Price Group Analytical Review 2017/18 to 2021/22 – Graph



Appendix V – Updated Action Plan – Student Activity Data 2020/21

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at October 2022
<p>Systems and Procedures for Compilation of Returns</p> <p>Associate Students</p> <p>R1 Ensure that nil Credits are claimed for all Associate Students identified on the FES 2.</p>	3	The College procedures will be updated to ensure Credits are not claimed for all Associate Students	Yes	Vice Principal Corporate Services	January 2022	<p>No issues noted from testing of Associate Students in 2021/22, nil Credits claimed.</p> <p>Fully Implemented</p>



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