

Board of Management Audit Committee

Date of Meeting	Wednesday 30 November 2019
Paper No.	AC2-I
Agenda Item	5.7.1
Subject of Paper	Internal Audit Report – Student Activity Data
FOISA Status	Disclosable
Primary Contact	Henderson Loggie
Date of production	November 2019
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 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. No issues were identified from Internal Audit testing for 2018/19 that required a recommendation for improvement to be made.

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
- on the basis of Internal Audit testing they provided reasonable assurance that the FES return contains no material mis-statement.

3. Impact and implications

Refer to internal audit report.



City of Glasgow College

2018/19 Student Activity Data

Internal Audit Report No: 2019/10

Draft issued: 14 October 2019

Final issued: 21 October 2019

Now, for tomorrow



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Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 30 May 2019, '*2018-19 data return for funding purposes (FES return) and audit guidance for colleges*', requested submission by City of Glasgow College ('the College') of the FES return for session 2018/19, which includes the Credits data relating to College activity for the academic year 2018/19.

Guidance on completion of the 2018/19 return was issued by the SFC on 2 July 2018.

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

Scope of 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 Dominant Programme Group (DPG) and dominant 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 and the key areas of risk identified in Annex D.

Audit Staffing

An Audit Director with 26 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 an Assistant Manager with 14 years' experience in the sector and a Senior Auditor and Audit Trainee both with one-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 8, split 1 day for the Audit Director, 2 days for the Assistant Manager and 2½ days each for the Senior Auditor and Audit Trainee.

2018/19 Student Activity Data

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

No issues have been identified from our audit testing for 2018/19 that required a recommendation for improvement to be made.

Conclusion

Our report was submitted to the SFC on 4 October 2019. 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
- on the basis of our testing we can provide reasonable assurance that the FES return contains no material mis-statement.

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

Acknowledgements

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



Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 30 May 2019 sets out, at Annex D, 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 dominant 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 2018/19 we established that there had been no significant changes to the systems and procedures used in the compilation of the returns. 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, obtaining explanations for significant variations by Dominant Programme Group (DPG) and dominant 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; and the main findings from our audit work. No errors were found during the course of the audit.

2018/19 Student Activity Data

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:
- Ensured that the course met the criteria for fundable activity set out in the Credits guidance;
 - Where applicable, ensured that the course met the definition of further or higher education set out in the Credits guidance;
 - Ensured that courses recorded as full-time met the definition for full-time as set out in the Credits guidance;
 - 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
 - Checked allocation of Credits to courses is in accordance with the Credits guidance.
- 2.1.3 For a total of 68 students selected from the above courses the following tests were carried out, where applicable:
- Ensured that the student met the criteria for fundable activity set out in the Credits guidance;
 - Checked back to signed enrolment forms, or electronic equivalent, for the 2018/19 academic year;
 - 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;
 - Checked to student attendance 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;
 - For students following courses of open / distance and work-based learning vouched to study plan etc. and ensured that required criteria was met; and
 - 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:
- Confirmed that there were no claims for more than one full-time enrolment per student for 2018/19 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;
 - Confirmed that there were no claims for overseas students and students enrolled on full cost recovery commercial courses; and
 - 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:
- reviewed the eligibility of students flagged for ESF Credits;
 - ensured that supporting documentation was held for ESF students, including: a completed participant form; proof of nationality; proof of permanent residence; and appropriate notification issued to the student; and
 - ensuring that Credits are only claimed for completed modules.

2018/19 Student Activity Data

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 Head of Student Data that the College is not involved in any collaborative provision and no such courses were identified during our audit testing. No further work was therefore required in these areas.
- 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 D of the Credits Audit Guidance and were working satisfactorily as described to us.
- 2.1.10 The remainder of this report discusses issues identified during our review of the 2018/19 student activity data.

2.2 Maximum Credits Claim per Student Value

- 2.2.1 Since 2016/17 a new process has been in place for agreeing the number of Credits claimed for programmes above 18 Credits for further education or 15 Credits for higher education, known as 'one plus' activity. The guidance states that if the total one plus activity is over 2.5% of the total volume of Credits allocated to the college (or the region for multi-college regions) by the SFC then an application must be made to the SFC to approve delivery of these courses at the higher Credit value. Courses where industry requires a higher level of engagement are excluded from this calculation.
- 2.2.2 The final FES summary report highlights 2,484 instances where student Credits were above 15 for a full-time higher education course and 210 instances where student Credits were above 18 for a full-time further education course. The College's total one plus activity was calculated by the College as 2.76% of the target delivery, which is above the 2.5% threshold. The final regional position had still to be confirmed at the date of this report.

2018/19 Student Activity Data

3. Analytical Review

3.1 The analytical review by DPG for the current year, included at Appendix III of this report, showed significant variances in DPG 2, 7, 8, 12 and 16. Analytical review by dominant Price Group at Appendix II also showed significant variances in Price Groups 1 and 2. These were discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:

- DPG 2 Business and management – there was a decrease in Marketing & Administration information technology course provisions. This is reflected in a decrease in activity in Price Group 1;
- DPG 7 Engineering – non-priority provision was reduced in this area to reflect the reduction in Credits target for 2018/19. This is reflected in a decrease in activity in Price Group 3;
- DPG 8 Health & related studies – there was a planned increase in Childcare activity in line with the national priority given to this area. The increased Credits in this area partly offset the overall reduction in credits in Price Group 2;
- DPG 12 Science & Maths – there was a planned increase in activity in line with the national priority given to STEM provision. The increased credits in this area partly offset the overall reduction in credits in Price Group 2; and
- DPG 16 Sports & Leisure – non-priority provision was reduced in this area to reflect the reduction in Credits target for 2018/19. This is reflected in the decrease in activity in Price Group 2.

Appendix I – Copy of Audit Certificate

CITY572/DA/SI

City of Glasgow College
190 Cathedral Street
Glasgow
G4 0RF

4 October 2019

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 the 'Credits' Guidance issued 2 July 2018 and which has been confirmed as being free from material misstatement by the College's Principal in his Certificate dated 2 October 2019. We conducted our audit in accordance with guidance contained in the 2018-19 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, on a test basis, 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 misstatement.

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
- on the basis of our testing we can provide reasonable assurance that the FES return contains no material misstatement.

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

4 October 2019

Date FES returned: 25 September 2019

MHA Henderson Loggie is a trading name of Henderson Loggie LLP

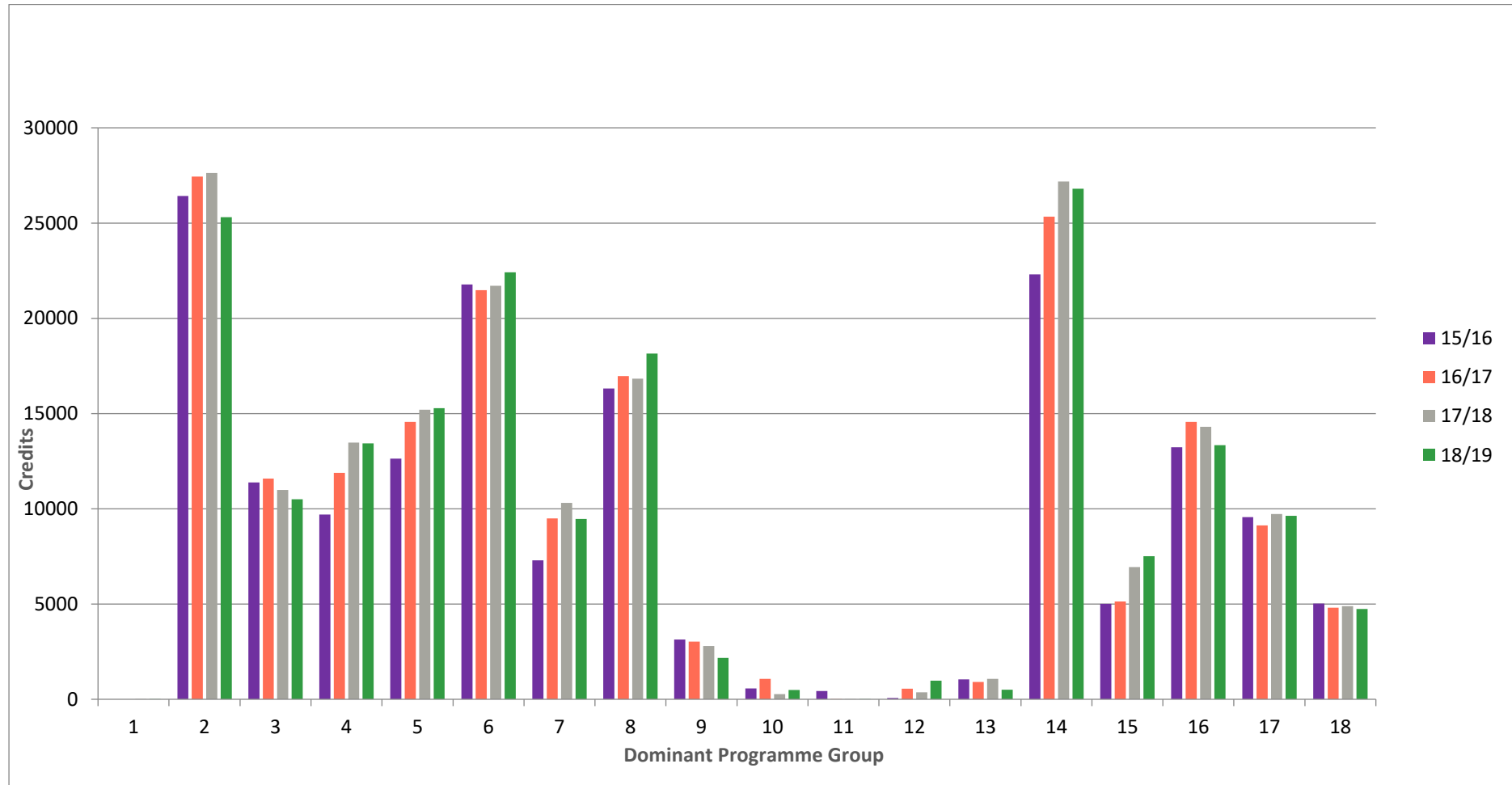
Appendix II – Price Group Analytical Review 2017/18 and 2018/19

Price Group	2017/2018		2018/2019		Variance	Variance
	Credits		Credits		Credits	%
1	44,785		43,614		(1,171)	(2.6)
2	76,214		75,180		(1,034)	(1.4)
3	57,787		57,154		(633)	(1.1)
4	12		3		(9)	(75.0)
5	4,883		4,741		(142)	(2.9)
	183,681		180,692		(2,989)	(1.6)

Appendix III – DPG Analytical Review 2017/18 and 2018/19 - Figures

Dom Gp		2017/2018	2018/2019	Credits	%
		Credits	Credits	Variance	Variance
1	Agriculture, horticulture and animal care	12	3	(9)	(75.0)
2	Business & management	27,626	25,303	(2,323)	(8.4)
3	Catering & food	10,983	10,498	(485)	(4.4)
4	Computers, software & information	13,471	13,429	(42)	(0.3)
5	Construction	15,207	15,276	69	0.5
6	Creative arts & design	21,701	22,413	712	3.3
7	Engineering	10,304	9,464	(840)	(8.2)
8	Health & related studies	16,831	18,146	1,315	7.8
9	Minerals, materials & fabrics	2,792	2,168	(624)	(22.3)
10	Personal development & self help	277	494	217	78.3
11	Printing	12	11	(1)	(8.3)
12	Science & maths	361	971	610	169.0
13	Secretarial/office & sales work	1,070	495	(575)	(53.7)
14	Social studies & languages	27,182	26,808	(374)	(1.4)
15	Social work	6,934	7,508	574	8.3
16	Sport & leisure	14,305	13,336	(969)	(6.8)
17	Transport, services & vehicle engineering	9,730	9,628	(102)	(1.0)
18	Special educational needs	4,883	4,741	(142)	(2.9)
	Totals	<u>183,681</u>	<u>180,692</u>	<u>(2,989)</u>	<u>(1.6)</u>
	Total Target Activity		180,642		
	- including ESF Target Activity of:		9,187		
	ESF Actual Activity		9,198		

Appendix IV – DPG Analytical Review 2015/16 to 2018/19 - Graph



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