Audit & Assurance Committee

Date of Meeting	2 September 2025
Paper No.	AAC1-J
Agenda Item	5.4.3
Subject of Paper	Internal Audit Report – Asset Management
FOISA Status	Disclosable
Primary Contact	David Archibald/Stuart Inglis, Henderson Loggie
Date of production	17 July 2025
Action	For Discussion

1. Recommendations

1.1. The Committee is asked to consider and discuss the report and the management responses to the Internal Audit Recommendations.

2. Consultation

2.1. The Lead Auditor has consulted with the Executive Owner, the College Lead, and the Compliance Auditor.

3. Key Insights

3.1. The Internal Audit for Asset Management was graded overall as Satisfactory, 'System meets control objectives with some weaknesses present.'

3.2. There are two Priority 3 recommendations arising from the fieldwork, which have management responses.

4. Impact and Implications

4.1. Internal Audit provides an objective insight into the efficiency of operations, evaluation of risks, and organisational controls.

Appendix 1: Internal Audit Report – Asset Management

LEVEL OF ASSURANCE
Satisfactory

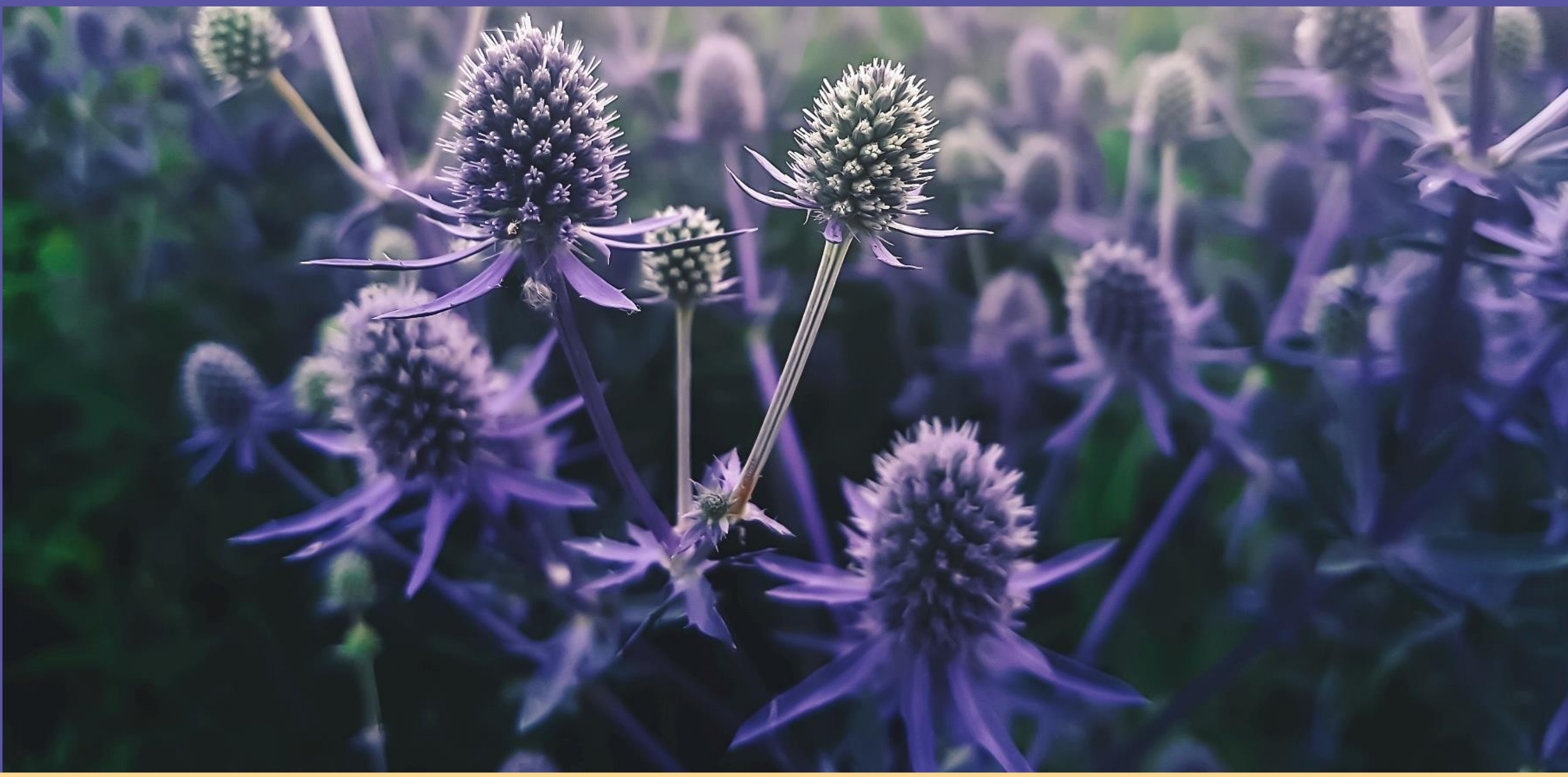
City of Glasgow College

Asset Management

Internal Audit report No: 2025/08

Draft issued: 2 July 2025

Final issued: 17 July 2025



Henderson Loggie

Contents

Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Issue subjecting the organisation 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 organisation to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Management Summary

Overall Level of Assurance

Satisfactory	System meets control objectives with some weaknesses present.

Risk Assessment

This review focused on the controls in place to mitigate the following risks on the City of Glasgow College ('the College') Strategic Risk Register (as at June 2025):

- Risk SR28 – Failure to manage strategic, physical and digital assets and infrastructure effectively (net risk score = 12, amber).

Background

As part of the Internal Audit programme at the College for 2024/25, we carried out a review of the systems in place for Asset Management. The Audit Needs Assessment (ANA) identified this as an area where risk can arise and where Internal Audit can assist in providing assurances that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

The College has recently (October 2024) introduced a new asset management framework, underpinned by the Asset Management Policy and related procedures and forms. This framework has been implemented in parallel with a reduction in the number of assets managed via the main asset register, as the threshold for items now included on it has been increased from £100 to £500 (other than for mobile IT devices).

The College's procurement and asset management is overseen by the Associate Director - Procurement and Asset Management. The Asset Management Team looks after the day-to-day asset management within the College and is made up of the Asset Manager and the recently (March 2025) recruited Modern Apprentice – Asset Management Assistant.

We previously reviewed the College's asset management arrangements in report 2020/10, issued September 2020. One of the recommendations we made was that the College should invest in an asset management system to replace the approach used at the time, which relied on the use of multiple Excel spreadsheets. From our discussion with the Associate Director – Procurement and Asset Management, we confirmed that the College did explore different options to implement an asset management system, but ultimately did not proceed with them due to concerns over costs and system capabilities. Regardless, the College made significant improvements by introducing a centralised asset register in the form of a live spreadsheet kept on SharePoint, with access limited only to key staff members. Additionally, the IT department is looking to introduce an asset management system called Sassafras specifically to monitor and manage IT assets. Asset management responsibilities, regarding non-IT items valued between £100 and £499, are still delegated to managers within the individual departments. However, it is our view that this is a proportionate approach given the lower level of risk associated with these types of assets.

Scope, Objectives and Overall Findings

Our audit covered controls over the College's asset registers, including:

- capitalised items of equipment;
- non-capitalised computer hardware and related equipment; and
- other portable non-capitalised equipment where management is of the opinion that the nature and value of the items requires records to establish physical and financial control.

The table below notes each separate objective for this review and records the results:

Objective	Findings				
The objectives of this audit were to ensure that:	**Level of Assurance**	**1**	**2**	**3**	**Actions already in progress**
		No. of Agreed Actions			
1. Assets are recorded with sufficient and appropriate information (e.g. unique identification numbers, quantity, description, age etc.) and are tagged.	**Good**	-	-	1	✓
2. There is a process to control additions to the asset registers.	**Good**	-	-	-	
3. Processes are in place to control and authorise the transfer of assets and the removal of assets from the registers, including arrangements to record the sale of assets and the treatment of sale proceeds.	**Good**	-	-	-	✓
4. Management processes are in place to ensure compliance and monitor the asset registers, including physical checks that recorded assets exist.	**Satisfactory**	-	-	1	✓
Overall Level of Assurance	**Satisfactory**	**0**	**0**	**2**	
		System meets control objectives with some weaknesses present.			

Audit Approach

Staff within the Asset Management Team, Procurement Team, Finance, Estates, IT, and Curriculum Areas and other Support Teams, were interviewed to determine current working practices and to identify key controls within the systems. Compliance with the College's Financial Regulations, and the adequacy of these controls, was considered, tested and assessed as part of the audit.

Summary of Main Findings

Strengths

- The College's new asset management framework (October 2024), as well as the associated policies, procedures, forms and guides are comprehensive, clear, and support a systematic and transparent approach to the management of the College's assets.
- Classification and treatment of assets in different groups, such as capital / non-capital and equipment & furniture (E&F) / IT / Group 1, is described in clear guidelines.
- All assets at the College should be asset tagged, and the Asset Management Team is working to achieve this, with a particular focus on a backlog of older items. Based on data extracted from the College's asset register, around 93% of the relevant assets are presently tagged.
- We confirmed that the College's main asset register is secure, transparent, detailed, and that appropriate information is recorded for each asset.
- The IT department is responsible for managing all IT assets within the College and maintains an IT asset register. The Asset Manager and the IT Service Desk Manager collaborate closely to ensure that the data between the main asset register and the IT asset register is kept consistent and accurate.
- There is a robust process to control additions to the asset register, including reconciliation of assets between the eProcurement system (PECOS) and the financial system (bluQube).
- The College has strong arrangements in place to control and authorise the transfer and removal of assets from the asset register.
- We reviewed the controls in place for the delivery, storage, and disposal of IT equipment, and found them to be good.
- We reviewed the controls in place for the loaning of equipment to students and staff and found them to be good.
- The College carries out annual physical verification of E&F assets, meant to confirm that the data held in the asset register is accurate and that the College's assets remain secure. The IT department also performs physical and digital verification of IT assets.
- From our discussion with a sample of managers, we determined that the College's new asset management framework is well-understood and seen as helpful, robust, and straightforward, with significant improvements highlighted compared to prior arrangements.

Opportunities for Improvement

- Due to the fast pace of improvements made to the College's asset management processes since the introduction of the new asset management framework, some of the College's documented procedures are now out of date. This includes the Financial Regulations (March 2024), and VAT considerations for the classification of assets in the Asset Management Policy (October 2024). These are due to be updated as part of the routine policy review process later in 2025.
- The College does not yet have a documented procedure in relation to the management of lost and stolen assets.
- During our physical verification testing, we were unable to locate one asset selected from the asset register – an Apple 21.5" iMac PC acquired in 2012. This may have a bearing on the completeness of data for similar older IT assets on the asset register.

Acknowledgements

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

Main Findings and Action Plan

Objective 1 - Assets are recorded with sufficient and appropriate information (e.g. unique identification numbers, quantity, description, age etc.) and are tagged.

Policies, Roles and Responsibilities

The College's Financial Regulations (March 2024) cover the overarching arrangements for management of assets, including maintenance of the asset register, safeguarding of assets, and asset disposal (although refer to **R1**).

The College refreshed its Fraud Prevention Policy in 2022. The objective of this policy is to safeguard the proper use of the College's finances and resources, including assets. We reviewed the Fraud Prevention Policy and confirmed that, in our view, the policies and procedural framework in place is clearly set out, sufficiently detailed and is in line with good practice.

The College has developed an Asset Management Policy (October 2024) to establish a systematic and transparent approach to managing the College's physical assets, and to ensure that assets are effectively safeguarded, utilised, and accounted for throughout their lifecycle. We reviewed the Asset Management Policy and confirmed that, in accordance with its purpose, it provides clear guidelines for acquiring, maintaining, securing, and disposing of assets, which in turn promotes responsible management, accurate financial reporting, and compliance with the College's financial and regulatory policies.

Asset management roles and responsibilities at the College can be summarised as follows:

- The Chief Financial Officer (CFO) ensures that sufficient resources are allocated for asset management activities.
- The Associate Director - Procurement and Asset Management oversees the implementation and effectiveness of the Asset Management Policy and procedures.
- Senior Managers ensure that assets under their stewardship are properly managed and maintained in accordance with the Asset Management Policy. They also manage annual audits of their assets as advised by the Asset Manager and report any changes in asset location or status to the Asset Manager. Annual audits are conducted by department staff, delegated by the Senior Manager.
- The Budget Manager / Requisitioner confirms items as assets and provides accurate location details.
- The Asset Manager is responsible for maintaining the asset register, coordinating asset acquisitions and disposals, tagging non-IT assets, audits, and ensuring compliance with the Asset Management Policy.
- IT is responsible for liaising with the Asset Manager in providing asset details, purchasing IT assets and tagging, configuring, and distributing them. IT also keeps local asset records up to date, including details of new purchases, locations, statuses, etc. and managing the disposal procedure for IT assets.
- All employees (Asset Stewards) must use College assets responsibly and report any issues related to their condition, security, or misuse to their line manager and the Asset Manager.

Objective 1 - Assets are recorded with sufficient and appropriate information (e.g. unique identification numbers, quantity, description, age etc.) and are tagged (continued).

Asset Classification and Tagging

Assets within the College can be classified as either:

- Capital assets – single or bulk items with a value equal to or exceeding £10,000 including VAT.
- Non-capital assets – single items with a value equal to or exceeding £500 including VAT (refer to **R1**).

Additionally, they can be broken down into:

- Equipment & furniture (E&F) assets, for example furniture, machinery, e-bikes etc.
- IT assets, including desktops, printers, monitors, laptops, tables, mobile phones, and similar devices.
- Group 1 assets, including furniture, fittings, and equipment installed by Glasgow Learning Quarter (GLQ) who designed, built and will maintain the College's City and Riverside campuses over a 25-year period. The FES Group has been sub-contracted to carry out the maintenance of these assets, in collaboration with the College's Estates department.

Each asset should be assigned a unique identification number in the form of an asset tag. All IT equipment (Group 2 and 3) is tagged by the IT department immediately after delivery, and all Group 4 and 5 E&F are tagged by the Asset Manager after the location has been confirmed by the owning department. Group 1 assets are tagged by the FES Group. Finally, assets purchased by the Creative Industries department for use by staff and students and for loan purposes are tagged by the Technical Support Operations Manager. From our discussions with the Asset Manager, we confirmed that not all assets at the College are currently tagged. This is due to some older assets not having been appropriately tagged under previous asset management arrangements. All IT assets and E&F assets over £1,000 are being prioritised for tagging, but E&F assets over £500 are also tagged in parallel where possible. Based on data from the College's asset register, around 93% of the relevant assets are presently tagged. All asset tagging should be done by at least two members of staff to ensure accuracy, completeness, and security.

Objective 1 - Assets are recorded with sufficient and appropriate information (e.g. unique identification numbers, quantity, description, age etc.) and are tagged (continued).				
Observation	**Risk**	**Recommendation**	**Management Response**	
Within the College's Financial Regulations (March 2024), some of the considerations regarding asset management are currently out of date. This includes roles and responsibilities and the threshold for recording assets on the main asset register. These elements are to be updated as part of the routine document review process, next due by November 2025. Additionally, we noted that the Asset Management Policy (October 2024) defines non-capital assets as items with a value equal to or exceeding £500 **excluding** VAT. However, in practice, the threshold is applied inclusive of VAT. Through discussion with the Associate Director – Procurement and Asset Management, and the Asset Manager, we confirmed that the policy will be updated during its next scheduled review in October 2025.	The College's policies are out of date and do not accurately reflect the asset management arrangements utilised in practice, risking inconsistent approach and understanding.	**R1** The College should take steps to ensure that the Financial Regulations, Asset Management Policy, and any other relevant policies and procedures are updated to accurately reflect the current, expected asset management practices. These updates should be incorporated into the next scheduled policy review cycles due to be conducted later in 2025. In the interim, key staff should be kept aware of any discrepancies between documented policy and intended practice to ensure consistent application and understanding of processes.	The Financial Regulations and Asset Management Policies will be updated to reflect the current asset management practices. **To be actioned by:** Financial Controller and Associate Director of Procurement **No later than:** 30 November 2025	
			Grade	**3**

Objective 1 - Assets are recorded with sufficient and appropriate information (e.g. unique identification numbers, quantity, description, age etc.) and are tagged (continued).

Asset Register

The Asset Manager maintains the College's asset register, which includes all items with an acquisition value of or exceeding £500, and all mobile devices such as laptops, tablets, mobile phones etc. regardless of their purchase value. The asset register is stored in a cloud-based SharePoint in the form of a live spreadsheet. Only the Associate Director - Procurement and Asset Management, the Asset Manager, and the Modern Apprentice – Asset Management Assistant have access to it. The Asset Manager also creates back-ups of the asset register on a monthly basis.

The information recorded for each asset on the asset register covers:

- Asset ID
- Description
- Purchase date and acquisition cost
- Depreciation information
- Responsible department or person
- Location
- Current status (e.g. damaged, disposed)
- Physical verification date

The Asset Manager walked us through the asset register, and we confirmed that it is secure, transparent, detailed, and that appropriate information is recorded for each asset, with audit trails available for any items removed or transferred from the asset register. The assets are adequately categorised into capital, non-capital, E&F, and IT, and disposed assets are marked as such while their record is retained for reference. Items are never completely removed from the asset register but are rather moved to an 'excluded records' tab with a reason of why they were taken off the active asset register. The Asset Manager also maintains a dashboard which collates and visualises the data held within the asset register in the form of various charts and statistics. These reports are comprehensive, routinely monitored, and are helpful for decision-making purposes. Finally, we confirmed that a software register is maintained and held as part of the asset register. We identified no issues during our review of the asset register.

The acquisition cost threshold for items being added to and recorded within the asset register was previously £100, but the Executive Leadership Team (ELT) and the Finance Committee approved for this to be increased to £500 (plus mobile devices) in 2024. The purpose of this was to streamline the asset management process, improve operational efficiency, and reduce the number of assets that were managed, tracked, and physically verified from 48,783 to a more manageable number of 11,828. The change was also aimed at improving risk management by focusing on higher value, mobile, at-risk assets.

Objective 1 - Assets are recorded with sufficient and appropriate information (e.g. unique identification numbers, quantity, description, age etc.) and are tagged (continued).

IT Asset Register

The IT department maintains an IT asset register which includes all IT devices. The Asset Manager and the IT Service Desk Manager collaborate closely to ensure that the data between the main asset register, and the IT asset register is kept consistent and accurate, with the Asset Manager extracting and validating the required information from the IT asset register.

The IT Service Desk Manager walked us through the IT asset register, and we confirmed that it is sufficiently detailed and consistent with the main asset register.

The IT department aims to introduce improvements to the College's IT asset management arrangements. For this purpose, it is looking to progressively transfer the College's IT asset records onto the Sassafras asset management system, resulting in increased automation and a single source of truth rather than risking the data being dispersed between localised spreadsheets. This is currently in early stages of implementation.

Local Asset Registers

In addition, from 1 August 2024, all non-capital E&F assets with a purchase value between £100 and £499 should be recorded and managed locally by the purchasing department. This will be overseen primarily by senior managers (Faculty Business Managers and Heads of Support Departments) using local asset registers, which are being progressively rolled out to the individual departments by the Asset Manager. The rollout is due to be completed by 31 July 2025. The Asset Manager has created the Guidance for Maintaining Local Asset Register (September 2024) document, which we reviewed and confirmed to be clear, comprehensive, and concise, providing the senior managers with significant flexibility and ownership over how to meet their responsibilities.

Budget Managers will be responsible for keeping the local asset registers accurate and up to date. Some departments have expressed a desire to record assets valued below £100 or to tag all assets, regardless of whether they meet the £500 threshold for inclusion on the College's main asset register. The Asset Management Team provides recommendations, guidance, and ongoing support regarding the management of local asset registers. As many of the departments already keep an inventory of their assets and equipment, this information can be transferred onto local asset registers as they are implemented.

From our discussion with a sample of managers, we confirmed that the local asset registers are seen as helpful and enhance the monitoring of lower-value equipment, reducing risks regarding theft, disrepair, and stock management. The local asset registers contribute towards accountability over asset stewardship and provide valuable information for decision-making purposes regarding the management of departmental resources. It was also stated that the Asset Management Team offers excellent support when it comes to the maintenance of local asset registers.

Objective 2 - There is a process to control additions to the asset registers.

The Asset Management Team has established a robust process to control additions to the asset register. This is covered within the Identifying and Adding a New Asset Procedure (October 2024). The procedure includes a flowchart which illustrates the steps to be followed to ensure accurate identification and addition of an asset.

The monthly identification of assets begins with the Procurement Team generating a purchase report from the eProcurement system (PECOS) for the previous month. This report contains all purchase orders (POs) with an 'Open' status. Additionally, an expenditure report is downloaded from the College's finance system – bluQube. Both reports are sent to the Asset Management Team's mailbox. The Asset Manager and the Modern Apprentice – Asset Management Assistant then review the purchase report from PECOS to identify any potential assets and reconcile these entries against the corresponding records on bluQube, while reporting on any discrepancies to the Associate Director – Procurement and Asset Management for investigation. For any capital assets, the acquisition cost and date are captured for depreciation purposes.

Furthermore, using the PECOS report, the Asset Manager creates a list of potential assets for each department and classifies them according to type. They then reach out to the individual departments to obtain the remaining information for each item on the list. For any non-IT items, the Budget Manager / Requisitioner confirms if they are indeed assets and provides their location together with any other necessary details, such as the expected useful life. Those items with a purchase value between £500 and £999 are then added to the asset register, while those with a purchase value of £1,000 and above are physically checked, asset tagged by the Asset Manager, and added to the asset register. As the IT department purchases, receives, configures, tags, and distributes all IT assets, it also records the location, Asset Steward, and other information about the asset directly in the IT system / IT asset register. As a result, the Asset Manager simply cross-checks the potential assets to the IT system / IT asset register, extracting and validating the required data. If they note no discrepancies or gaps, they add the IT assets to the main asset register.

The Creative Industry department's store uses its own tagging system linked to its equipment booking system – Connect2. In this case, the Asset Manager physically checks the asset and records the local asset tag in the asset register.

For internal training purposes, the Asset Management Team has summarised the actions for identifying and adding new assets in a five-step process:

1. **Track** purchases through the College's eProcurement system - PECOS.
2. **Reconcile** the purchase orders with invoices using the College's financial system – bluQube.
3. **Validate** the asset, confirming location, replacement date, and assign stewardship.
4. **Tag** the asset.
5. **Update** the asset register.

Objective 3 - Processes are in place to control and authorise the transfer of assets and the removal of assets from the registers, including arrangements to record the sale of assets and the treatment of sale proceeds.

The College has strong processes in place to control and authorise the transfer and removal of assets from the asset register. Records for all assets disposed or sold are retained within the asset register, and their status is changed to reflect this.

Disposals

There is an Asset Disposal Procedure (October 2024) in place, the purpose of which is to ensure that the disposal of assets at the College is carried out in an efficient, responsible, and compliant manner. The procedure contains a flowchart to illustrate the whole asset disposal process for each different type of asset (IT, E&F, Group 1). If a Budget Manager confirms that an asset is defective or non-compliant, they should report it via appropriate channels depending on the type of asset.

Disposals and Storage - IT

For IT assets, the Budget Manager should raise a ticket via the IT Service Desk to initiate the evaluation process. An IT Technician then analyses the asset's condition, and if it is deemed to be non-compliant, past its useful life, or unrepairable, they ask the relevant Manager within IT to validate their assessment and store the asset in a secure, designated holding area (archive room). The IT department should then update the IT asset register for the new location of the asset.

The IT department coordinates the quarterly bulk disposal of assets with an external company. The IT Service Desk Manager creates a report of all IT assets intended for disposal in advance of each uplift ('disposal report') and sends it to the IT Director (Senior Management Team member) for noting before the collection is arranged. The report is also shared with the Financial Controller and the Associate Director – Procurement and Asset Management. If the items arranged for disposal hold a net book value (NBV), the Finance Committee must first approve their write-off. At this point, the IT department and the Asset Management Team carry out independent physical verification checks using a barcode scanner that the physical items awaiting disposal match the disposal report. A designated member of staff must be present to supervise the disposal process and ensure that the correct items are being removed, until the external company completes the uplift. The external company should then issue a disposal certificate or equivalent to the College, which can be reconciled to the internal disposal report. Both documents should be forwarded to the Asset Management Team's mailbox so that the asset register can be appropriately updated. IT equipment data and memory is wiped as part of the disposal process.

We reviewed the security arrangements in place for the delivery and storage of IT equipment and confirmed that the following controls are in place:

- New IT equipment is securely handled and stored in locked cages / rooms.
- Access to these locations is restricted using via physical locks (for cages) and electronic card locks (for rooms), limiting access to staff with a valid reason to enter the location.
- CCTV is in place covering these secure areas and the movement of IT equipment.

Furthermore, we selected a sample of 10 disposed IT items from an uplift booking report and traced them to the corresponding 'Certificate of Data Destruction and Recycling' and the College's asset register, verifying that the details for all items agreed and that they have all been marked as disposed. We identified no issues during our testing.

Objective 3 - Processes are in place to control and authorise the transfer of assets and the removal of assets from the registers, including arrangements to record the sale of assets and the treatment of sale proceeds (continued).

Disposals – E&F & Group 1 Assets

For E&F assets maintained by the College, the Budget Manager should first contact a College Technician or a third-party supplier who determines if they can be repaired. If the Technician evaluates the asset to be beyond economic repair, they should complete an Asset Updating Form, which they send to the Budget Manager for approval. With guidance from the Facilities department, the Budget Manager should then arrange the disposal of the assets. Following the collection by an external company, the proof of uplift must be forwarded to the Asset Manager, together with the Asset Updating Form.

For Group 1 assets, the Budget Manager should report them via the Enquirer system to Estates and FES. FES arranges the uplift and any replacement requirements as they are fully responsible for managing the assets. Estates should then inform the Asset Manager of any changes by submitting an Asset Updating Form.

For both E&F and Group 1 assets, the Asset Manager, if applicable, checks the last location of the assets to confirm if the correct ones have been disposed and that any remaining assets in the room match existing records. Finally, the Asset Manager updates the asset register to mark the uplifted assets as disposed and sends back a confirmation e-mail to the Budget Manager and the Technician to inform them that the disposal process is complete.

For internal training purposes, the Asset Management Team has summarised the actions for disposing E&F assets in a seven-step process:

1. **Evaluate** the asset's condition – confirm if it is no longer usable, repairable, or needed.
2. **Approve** – follow the approval process.
3. **Collaborate** with Facilities by sharing a list of items to arrange safe, legal, sustainable disposal.
4. **Complete** the Asset Updating Form and provide disposal details and supporting information.
5. **Approve form** – the Budget Manager reviews and approves the form.
6. **Physical Check** – the Asset Management Team physically checks the remaining assets from the disposal location.
7. **Update** – changes are recorded to maintain accuracy.

We selected a sample of 10 disposed E&F items from an uplift invoice and traced them to the College's asset register, verifying that the details for all items agreed and that they have all been marked as disposed.

Sales

The Sale of Assets Procedure (October 2024) has been established to ensure that the internal sale of surplus or unneeded assets to staff is conducted in a transparent, compliant, and efficient manner. Again, a flowchart has been included to visualise the process. We reviewed the procedure and found it to be detailed and clear in regard to roles, responsibilities, and governance arrangements. From our discussions with the Associate Director – Procurement and Asset Management, as well as the Asset Manager, we confirmed that the full process for listing and selling assets is not currently live but is due to be implemented once a suitable platform / interface for this is developed and enabled via the staff intranet. This is due to be completed in the coming months.

Objective 3 - Processes are in place to control and authorise the transfer of assets and the removal of assets from the registers, including arrangements to record the sale of assets and the treatment of sale proceeds (continued).

Asset Updating Form

The Asset Updating Form is available through the staff intranet – MyConnect. It requires the staff member submitting it to provide full asset details and the reasons for the change, and covers:

- Asset disposal
- Updates to asset details (e.g. location, condition)
- Sale of redundant equipment

Distribution and Loans – IT

When distributing a batch of IT equipment, for example to a computer lab, the IT department works with Timetabling and the purchasing department to confirm a suitable window for when IT could remove the old equipment and set up the new equipment. The IT department also manages and monitors the loaning of IT equipment to individual staff. Employees can raise tickets to request the loan of items such as laptops and, if approved, IT completes a record to confirm what was issued (including the asset tag number), when, and to who. This record is added to a secure tracker on SharePoint which includes all equipment loaned and returned. Line managers are responsible for collecting any equipment that is the property of the College from leavers, and HR can help facilitate this, although the IT department retains oversight over the management of IT equipment. There have been some historical challenges at the College in that the IT department was not informed of leavers with sufficient notice. This was caused primarily by staffing changes within the HR team and has since stabilised.

Loans – Library & Students' Association

The College purchased a ComputeIT 84-bay control module tower in January 2024 to safely store, charge, and issue laptops for short-term (48-hour) student loans. Students can scan their student card to access the self-issue cabinet within the Students' Association area in order to borrow the laptops. This system is managed by the Library and enables it to securely track, manage, and reconcile loaned laptops, ensuring that they are properly monitored and that staff are accountable over their stewardship. The College follows-up with any students who fail to return a laptop by the due date and bans them from using the service if necessary.

Objective 3 - Processes are in place to control and authorise the transfer of assets and the removal of assets from the registers, including arrangements to record the sale of assets and the treatment of sale proceeds (continued).

Loans – Creative Industries

The Creative Industries department has two stores where it keeps equipment which can be loaned out by staff and students. These stores are only accessible by the Dean, Associate Deans, and the relevant support staff such as the Technical Support Operations Manager. A member of staff is always present at the front desk when the stores are open, and there is CCTV present in the rooms and / or around their perimeter. Cleaning staff do not have unsupervised access to the stores. For equipment such as cameras, both students and staff can request to loan it via the Connect2 equipment booking system. This is used primarily by lecturers to loan items out for classes, but students can also ask for items to be used in their projects. In that case, they must complete a booking form which must be counter-signed by an Associate Dean or a Curriculum Head. Any equipment loaned is matched against the students' details and ID cards and is monitored using the system. At the start of the academic year, the students also sign a disclaimer to confirm that they are responsible for any damages to the equipment booked. If they do not return the items in the allotted time, this is followed up on and may be escalated to an Associate Dean who can initiate the recovery process. The student would also be sanctioned from booking any further equipment until the situation is resolved.

Objective 4 - Management processes are in place to ensure compliance and monitor the asset registers, including physical checks that recorded assets exist.

Annual Physical Verification of E&F Assets

The Asset Manager facilitates the annual physical verification of E&F assets, meant to confirm that the data held in the asset register is accurate and that the College's assets remain secure. In accordance with the Physical and Digital Verification Procedure (October 2024), this is performed by the individual departments. However, the Asset Manager provides guidance, supervision, and carries out further spot checks. Specifically, they create an annual list of assets for physical verification for each department, and send it to the Budget Managers, who assign the task to two members of staff so that the information for each asset can be cross-checked. Any discrepancies should be noted, and the staff must attempt to locate any assets not found in their listed location, so that this can be updated or an asset investigation initiated if the assets are missing. Once the checks are completed, the Budget Manager should review the list and return it to the Asset Manager so that they can update the asset register.

The College aims to physically verify each asset at least once every three years. Another requirement is that approximately 10% of all E&F assets (in terms of total acquisition cost) must be physically verified each year.

Digital Verification of IT Assets

The College's IT devices with an operating system carry a digital footprint which allows the IT department to monitor data such as the device's location, last use, active user etc. The IT department utilises this to routinely carry out digital verifications of the IT assets and confirm if they are being used as intended, investigating any significant anomalies.

This is supplemented by the physical verification of IT assets. Again, each IT asset should be physically verified at least once every three years, and each annual exercise should include at least 10% of total assets that have undergone the digital verification.

Missing and Stolen Assets

Any assets identified as missing or stolen must be reported to the Associate Director – Procurement and Asset Management. This should normally be done by the relevant Asset Steward using an Asset Investigation Form, which asks for details of the item and any incident which may have led to its disappearance. Before they submit the form, the Asset Steward must make effort to track the missing or stolen asset.

A new process has been introduced where the Associate Director – Procurement and Asset Management completes a quarterly Asset Disposal & Write off report and submits it to the Finance Committee for approval. This report includes a summary on any damaged, missing, stolen, and non-compliant assets. We reviewed the latest report that was presented at the June 2025 Finance Committee meeting and verified that it was informative and useful for decision-making purposes.

Objective 4 - Management processes are in place to ensure compliance and monitor the asset registers, including physical checks that recorded assets exist (continued).

Missing and Stolen Assets (continued)

During the 2022/23 and 2023/24 academic years, there were several (14) instances reported of IT assets going missing or being stolen. This was stated to have been primarily caused by College staff being negligent with the use of their IT equipment, for example by leaving their laptops unsecured and in easily accessible areas. In response to past incidents, improved procedures were implemented, and an Asset Investigation Form was introduced in October 2024. Since then, only one such incident involving staff was reported, where the laptop was thought to have been left in an office area or a locked cupboard, but went missing and became untraceable. The Asset Investigation Form was subsequently submitted, and a write-off was approved by the Associate Director – Procurement and Asset Management. The Asset Manager aims to consolidate the different forms utilised by IT, Facilities, and the Asset Management Team in response to these incidents, and to establish a fully integrated process to action similar instances timely and effectively.

Testing

As part of the audit, we selected a sample of 20 items from the asset register, and with support from the Asset Manager, performed a physical verification test to confirm their existence and check that the details held on the asset register are accurate. We agreed the details for 16 of the assets without issue. For two of the items, we were unable to access them as one was in active use, and the other one was a laptop stated to be on loan. Confirmation was later received from IT that the laptop that had been on loan at the time of our visit had now been returned to its storage location. For one asset, we could not locate the asset tag. However, the Asset Manager and a member of the Facilities Team subsequently concluded that the asset tag had melted or fallen off and replaced it with a new one. Finally, we were unable to locate one item (refer to **R2**).

During our visit to the College, we also selected a sample of 21 physical items and traced them back to the Asset Register to ensure that they have been accurately recorded. We agreed the details for 19 of the assets without issue. For one item, we noted a minor discrepancy between its actual location and the room recorded on the asset register. We confirmed that this was caused by an input error and was promptly amended. We identified another asset that was in a different location than the asset register indicated. However, this was a mobile TV which was moved temporarily for operational purposes. Overall, we found no significant issues.

Objective 4 - Management processes are in place to ensure compliance and monitor the asset registers, including physical checks that recorded assets exist (continued).

Observation	Risk	Recommendation	Management Response
The College does not have a documented procedure in place for reporting and recording lost and stolen assets. The Asset Management Team has recognised this and added an action to its workplan to establish an appropriate procedure by August 2025. In the meantime, the Asset Management Policy (October 2024) and supporting forms, such as the Asset Investigation Form, provide adequate guidance. During our physical verification testing, we could not locate one asset selected from the asset register – an Apple 21.5" iMac PC acquired in 2012. Subsequently, the Asset Manager and the IT department were also unable to confirm its location, including via the use of digital tracking. We verified that the financial risk to the College was limited as it was stated that the asset is non-compliant with Cyber Essentials / security obligations due to its age and would be designated for disposal regardless. However, the Asset Manager confirmed that there is limited data for old devices in the IT asset register and that all new PCs and laptops acquired should be accurately recorded and digitally traceable, minimising the risk of similar cases.	Lack of a documented procedure regarding lost and stolen assets may lead to inconsistent approach and understanding of intended practice amongst staff. The information on older IT assets in the asset register may be incomplete, and some older, missing IT assets may not be accounted for. However, the financial risk to the College is limited due to nil or low net book value (NBV) of such assets.	**R2** The Asset Management Team should prioritise the planned activity to introduce a documented procedure in relation to the management of lost and stolen assets and embed this within the asset management framework. The Asset Management Team and the IT department should make reasonable efforts to locate the missing Apple 21.5" iMac PC, complete an Asset Investigation Form, and submit it to the Associate Director – Procurement and Asset Management for review and decision purposes. The outcome should be captured within the next Asset Disposal & Write off report presented to the Finance Committee. The Asset Management Team and the IT department should review the asset registers and identify any older IT assets which are at risk of having incomplete records, especially those not recently verified physically or digitally. Spot checks should be considered to determine whether other similar assets are unaccounted for and require investigation or potential write-off. The IT department should identify why older, non-compliant IT assets have not been earmarked for disposal and removal from the asset register, where appropriate.	a) An Asset Investigation Procedure for lost / stolen assets will be written and published. **To be actioned by:** Asset Manager **No later than:** 31 August 2025 b) IT will complete and submit an Investigation Form for the missing Apple 21.5" iMac PC. **To be actioned by:** IT Service Desk Manager **No later than:** 31 July 2025 c) A full review of the IT asset register will be completed. Spot checks of older IT assets will be undertaken and recorded. **To be actioned by:** Asset Manager & IT Service Desk Manager **No later than:** 30 September 2025 **Grade** **3**

Objective 4 - Management processes are in place to ensure compliance and monitor the asset registers, including physical checks that recorded assets exist (continued).

Stakeholders' Views

From our discussion with a sample of managers, we determined that the College's new asset management framework is well-understood and seen as helpful, robust, and straightforward. In particular, it was stated that the Asset Manager has introduced key processes or made significant improvements to existing ones, and to the asset register, since they started in their role. The individuals we spoke to confirmed that this has resulted in much clearer roles and responsibilities and increased awareness, ownership, and accountability over asset management. We also established that the managers did not view their related responsibilities as an administrative burden, but rather as evidence that assets are being managed and looked after properly.

Additionally, it was highlighted that the Connect2 equipment booking system is excellent and essential for safeguarding assets within the Creative Industries department.

Student Access to Classrooms

Different departments within the College have recently constructed a joint proposal to restrict student access to some of the classrooms. This proposal was presented to the ELT in June 2025. As part of information gathering for the proposal, the Asset Manager identified 75 generally accessible classrooms which contain assets with a total acquisition cost of £10,000 or greater, three of which contain mobile IT assets. They also identified another 102 generally accessible classroom with assets with a total acquisition cost below £10,000. This has been noted as a significant risk to the College's high-value inventory, with some assets particularly susceptible to damage or theft where access is not controlled. The Asset Manager has contributed to the proposal by recommending a review and revision of student access permissions. Specifically, they have advised that restricting access to classrooms, ideally all but especially those containing high-value or high-risk assets, would proactively strengthen asset protection, reduce potential losses, and align with best practices in managing and safeguarding College resources.

Following ELT's review of the proposal, the following changes to students' classroom access have been implemented - classroom access will remain open until 4:30pm (as the last lessons usually start at 4pm). Front of House will then check classrooms after 5pm to ensure that they are empty, and Faculty Managers will be responsible for asset accountability. It was agreed that classroom access must otherwise remain available for students.

As the relevant asset management risks have been considered by the ELT via the proposal, we made no corresponding recommendation within our review.

Henderson Loggie

Aberdeen: 1 Marischal Square, Broad Street, AB10 1BL **T:** 01224 322 100
Dundee: The Vision Building, 20 Greenmarket, DD1 4QB **T:** 01382 200 055
Edinburgh: Level 5, Stamp Office, 10-14 Waterloo Place, EH1 3EG **T:** 0131 226 0200
Glasgow: 100 West George Street, G2 1PP **T:** 0141 471 9870