

## Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 26 May 2020
Paper Title	Internal Audit Report – Report on Monitoring of Achievement of Student Numbers
Agenda Item	4
Paper Number	AAC4 - C
Responsible Officer	Jim Godfrey, Finance & Resources Director
Status	Non-disclosable under Section 30: Prejudice to the Effective Conduct of Public Affairs
Action	For Noting

### 1. Report Purpose

- 1.1. Consider a summary of the internal audit annual report on monitoring of achievement of student numbers

### 2. Recommendations

- 2.1. The Committee is invited to **note** the report and that the level of assurance is deemed to be 'Good' in the opinion of the Internal Auditor.

### 3. Background

- 3.1. This report provides a detailed review of the FES information which the Glasgow Colleges send to GCRB throughout the year; a comparison of the projections submitted to GCRB versus the outturn figures; and evaluation of the ownership and in-year reporting on performance against target student numbers within individual Colleges (to both the Senior Management Team and Committees). The review also examined the way in which each of the Colleges in the Glasgow Region demonstrate the performance improvements required to deliver enhanced regional outcomes

### 4. Risk Analysis

- 4.1. Consideration of this internal audit report provides assurance, and confidence, that the systems in place to monitor the achievement of student numbers are 'good'.

### 5. Equalities Implications

- 5.1. There are no equalities implications arising from this report.

### 6. Legal Implications

- 6.1. There are no legal implications arising from this report.

**7. Resource Implications**

**7.1.** There are no specific resource implications arising from this paper.

**8. Strategic Plan Implications**

**8.1.** Through the conditions of grant associated with the Regional Outcome Agreement, GCRB, and the assigned colleges, are required to monitor performance against a range of indicators.

# Glasgow Colleges Regional Board

## Monitoring of Achievement of Target Student Numbers and Delivery of Enhanced Regional Outcomes

**Internal Audit Report No: 2020/02**

**Draft issued: 3 May 2020**

**Final issued: 19 May 2020**

**LEVEL OF ASSURANCE**

**Good**

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## 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:

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

## Action Grades

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

## Management Summary

### Overall Level of Assurance

<b>Good</b>	System meets control objectives.
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### Risk Assessment

This review focused on the controls in place to mitigate the following risks on the Glasgow Colleges Regional Board ('the GCRB') Strategic Risk Register:

- Failure to achieve the targets set out in the Regional Outcome Agreement lessens our ability to meet regional needs.
- Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs.

### Background

As part of the Internal Audit programme at the GCRB for 2019/20 we carried out a review of the processes in place around monitoring of regional Credits performance. This review was originally included in the 2018/19 Annual Plan and was deferred into the 2019/20 Annual Plan following discussion with management. The Annual Plan for 2018/19, agreed with management and the Audit Committee in December 2018, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Executive Director and the Audit Committee that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Ensuring that the Glasgow region college's, and therefore the Glasgow region meets its fundable Credits target ensures that there is no potential financial clawback by the Scottish Funding Council (SFC) from the region's grant-in-aid. The Regional targets are based on the Glasgow Colleges' Regional Outcome Agreement (ROA) which is influenced in turn by Scottish national priorities such as Developing Scotland's Young Workforce and the Scottish Government's 'Putting Learners at the Centre: Delivering our Ambitions for Post-16 Education'.

# Monitoring of Achievement of Target Student Numbers and Delivery of Enhanced Regional Outcomes

## Scope, Objectives and Overall Findings

This audit included: a detailed review of the FES information which the Glasgow Colleges send to GCRB throughout the year; a comparison of the projections submitted to GCRB versus the outturn figures; and evaluation of the ownership and in-year reporting on performance against target student numbers within individual Colleges (to both the Senior Management Team and Committees). The review also examined the way in which each of the Colleges in the Glasgow Region demonstrate the performance improvements required to deliver enhanced regional outcomes.

The table below notes the objectives for this review and records the results:

Objective	Findings			
The specific objectives of this audit were to ensure that:		1	2	3
1. Appropriate governance structures have been established which allow effective reporting and monitoring of information on student activity data against targets for all three Glasgow region Colleges to identify areas of underperformance and to identify possible remedial actions.	Good	0	0	0
2. FES data is made available which: <ul style="list-style-type: none"> <li>reports against appropriate performance measures which allow effective monitoring of actual Credits against target at critical milestones during the academic year;</li> <li>assists in forecasting expected Credits outturn; and</li> <li>enables the impacts of key regional strategic and objectives to be measured.</li> </ul>	Good	0	0	0
3. The regional Credits delivery is aligned with national priorities and the needs of regional industry, employers and individual learners as outlined in the Glasgow Region Outcome Agreement 2019/20.	Good	0	0	0
Overall Level of Assurance	Good	0	0	0
		System meets control objectives		

# **Monitoring of Achievement of Target Student Numbers and Delivery of Enhanced Regional Outcomes**

## **Audit Approach**

We assessed whether the above objectives have been met through discussions with the Finance & Resources Director, the MIS Lead for the Glasgow region and review of relevant documentation. A questionnaire covering the audit objectives was issued to each college with results compared to identify consistency in college processes and any opportunities for implementing good practices adopted by either of the Glasgow region colleges.

## **Summary of Main Findings**

### **Strengths**

- In each college we noted that the Senior Management Teams (SMT) maintain overall oversight of progress against the overall Credit funding targets, as well as the ROA performance of subsets of data set by the GCRB.
- Each college's curriculum portfolio is developed in line with the regional and national priorities and funded activity targets are included in the Glasgow Colleges Regional Outcome Agreement (ROA) and student recruitment is targeted on this basis.
- Comprehensive reporting of key Credits monitoring data, including recruitment and enrolment data has been developed from by each College.
- Processes have been developed to set recruitment targets and monitor early and late retention and performance data, with historic trend data used to sense check whether targets and performance are reasonable.
- ROA Credits data, including actual and forecast outturn, is reported regularly to the senior management groups, including SIMD10 / SIMD20, BME, disability, care experienced and STEM.
- There is appropriate review of Credits performance by senior management, the Learning and Teaching Committees and Boards.
- We noted that each of the Glasgow colleges strategic plans, and supporting strategies, demonstrate the direction for each College in meeting national and regional priorities.

### **Weaknesses**

- No significant weaknesses were noted during our review.

## **Acknowledgements**

We would like to take this opportunity to thank the staff at the GCRB and each of the Glasgow Colleges who helped us during our audit.



### Main Findings and Action Plan

**Objective 1: Appropriate governance structures have been established which allow effective reporting and monitoring of information on student activity data against targets for all three Glasgow region Colleges to identify areas of underperformance and to identify possible remedial actions.**

The Regional Outcome Agreement (ROA) sets out Credits targets by curriculum area for the region and for each College. Within each College we found that the College's share of these targets is assigned to appropriate members of the Senior Management Teams and curriculum teams to achieve.

#### **Senior Management Oversight**

In each College we noted that the Senior Management Teams (SMT) maintain overall oversight of progress against the overall Credit funding targets, as well as the ROA performance of subsets of data set by the GCRB, for example demographic and equalities data. Reports are provided on a regular basis for review at Senior Management Team meetings, where progress against targets, particularly at key times of the year such as September and January enrolments and early retention date in November.

#### **Board / Committee Oversight**

We noted that at each college, Finance Committees and Learning and Teaching Committees, or equivalents, are provided with updates about progress against the College's Credit target on a regular basis.

#### **Glasgow Colleges Regional Board (GCRB) Oversight**

Each college reports to the GCRB on progress against its Credit target which feeds into regular ROA progress reports that the GCRB Performance and Resources Committee reviews.



## Monitoring of Achievement of Target Student Numbers and Delivery of Enhanced Regional Outcomes

### Objective 2: FES data is made available which:

- ♦ reports against appropriate performance measures which allow effective monitoring of actual Credits against target at critical milestones during the academic year;
- ♦ assists in forecasting expected Credits outturn; and
- ♦ enables the impacts of key regional strategic and objectives to be measured.

As part of this audit a Credits Monitoring Questionnaire was issued to all three colleges in the Glasgow region. Through review of the responses provided by each college we noted that:

- the main objective of credit performance reporting is to ensure that each college meets its annual credit targets. Other aspects of Credits performance are reported and monitored throughout the year for specific analysis, for example curriculum planning requirements, Equality Outcomes and the compilation of regular ROA returns to the GCRB.
- data reported at all levels of each organisation relating to core and European Social Funds (ESF) Credits, and economic sector credit performance are taken directly from automated system reports. Data is not subject to manual adjustment. Data is subject to regular review by senior management groups and curriculum teams.
- forecasted Credits reported throughout the year are based on actual data for enrolments, withdrawals and delivery planned but not yet delivered, and adjusted for trends in historical, early and late, retention data.
- actual and forecast Credits data is made available to all curriculum staff as well as management teams to provide visibility and encourage ownership of performance. Automated reporting has been established for senior curriculum staff to facilitate this.
- information is available on previous years' applications, enrolment retention, and achievement and college reports take cognisance of this information when setting expected enrolment targets and retention factors.
- automated regular reporting is sent to various levels of academic management to highlight any data-quality issues in the course and enrolment data.
- ROA Credits data, including actual and forecast outturn, is reported regularly to the senior management groups, including SIMD10 / SIMD20, BME, disability, care experienced and STEM.
- estimates and projections are checked by colleges before submission to the GCRB.
- staff involved in Credits monitoring and reporting provide input into senior management meetings, provide training and guidance to other teams and are involved in sector and regional groups including the SFC, College Development Network, software user groups and Glasgow regional colleges, providing opportunities to identify and share good practice regarding setting Credits targets, monitoring and forecasting Credits and ROA performance.

## Monitoring of Achievement of Target Student Numbers and Delivery of Enhanced Regional Outcomes

**Objective 3: The regional Credits delivery is aligned with national priorities and the needs of regional industry, employers and individual learners as outlined in the Glasgow Region Outcome Agreement 2019/20.**

### **National Priorities and Regional Industry and Sector Needs**

The national priorities and regional industry / sector economic needs were previously reviewed at a regional level with results published in the 'Glasgow Region Curriculum and Estates Plan 2015-2020'. We noted that this was informed by: labour market intelligence; demographics; provision offered by Local Authorities; a detailed curriculum and estates environmental scan that set out the issues facing Glasgow; the relevant national policies applying to the regional Glasgow colleges; stakeholder demands; current and future demand for jobs; and a review of the Glasgow colleges' performance. The Plan resulted in a range of curriculum rationalisation and movement of curriculum among the Glasgow colleges which were then reflected in the sector Credits targets set out in the Glasgow Regional Outcome Agreement (ROA). The ROA developed by the Glasgow colleges is subsequently provided to the GCRB Performance and Resources Committee and full Board and is then discussed and agreed with the SFC. This ensures that the ROA is in line with SFC outcomes.

The GCRB has a Learning and Teaching Group which has representatives from the three Glasgow colleges and, under the Learning and Teaching Group, there are individual Curriculum Hubs (each covering a specific curriculum area(s) which are comprised of academic staff from the three colleges. The Curriculum Hubs review the regional framework of courses being delivered to ensure that it is comprehensive and provides appropriate progression routes for students. We noted that there is sharing of information within Curriculum Hubs regarding regional and national employer needs and future trends.

There are several regional initiatives which involve cross-college working, which at a regional level provide challenge about what curriculum to provide, and cover Foundation Apprenticeships, English for Speakers of Other Languages (ESOL) and childcare provision.

We noted that each of the Glasgow colleges strategic plans, and supporting strategies, demonstrate direction for each College in meeting national and regional priorities.

There are several regional Skills Investment Plans covering different sectors, which aim to identify areas of future skills demand. These feed into the Regional Skills Assessments produced annually by Skills Development Scotland (SDS) and are presented to the GCRB Learning and Teaching Group, and from there feed down to individual colleges. We noted that senior representatives from each of the Glasgow colleges meet with SDS to discuss how the Skills Investment Plans are being implemented and how each College can contribute to these. We also noted that the Skills Investment Plans are considered when setting the ROA sector targets.

## Monitoring of Achievement of Target Student Numbers and Delivery of Enhanced Regional Outcomes

**Objective 3: The regional Credits delivery is aligned with national priorities and the needs of regional industry, employers and individual learners as outlined in the Glasgow Region Outcome Agreement 2019/20 (continued).**

### **Employer Needs**

Most courses offered by each of the Glasgow colleges relate to Scottish Qualifications Authority (SQA) awards, such as National Qualifications (NQs), Scottish Vocational Qualifications (SVQs) and Higher National Certificates and Diplomas (HNC/Ds). The SQA has well established processes to identify employer needs and to incorporate these within course frameworks. The SQA develops and refreshes courses in conjunction with industry and education establishments to ensure that provision is aligned with the current demands of employers. SQA course frameworks identify mandatory and optional credit values assigned to each course and the implementation of SQA frameworks has a significant influence on the Credits delivery in each college.

### **Individual Learners**

At a regional level, the review of appropriate progression routes and an appropriate range of Scottish Credit and Qualifications Framework (SCQF) rated courses for individuals' varying needs is undertaken through the Curriculum Hubs.

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