

Audit Committee Meeting

Date of Meeting	Monday 12 December 2016
Paper Title	Assigned College 2015/16 Student Activity Data Audit Reports
Agenda Item	13
Paper Number	AC2-I
Responsible Officer	Robin Ashton, GCRB Executive Director
Status	Disclosable
Action	For discussion

1. Report Purpose

- 1.1. Consider the 2015/16 Student Activity Data Audit Reports for the assigned colleges.

2. Recommendations

- 2.1. The Committee is invited to **note** this report and the attached assigned college student activity data audit reports as evidence of assurance that appropriate governance and accountability structures operate within the assigned colleges.

3. Background

- 3.1. The terms of reference for the GCRB Audit Committee state that in relation to the assigned colleges, the Audit Committee will advise the Board and Accountable Officer on the annual reports received from the assigned colleges.
- 3.2. The 2015/16 Student Activity Data Audit Reports for the assigned colleges are attached to this report.

4. Risk Analysis, Legal Implications, Financial Implications and Regional Outcome Agreement Implications

- 4.1. The reports provide GCRB with assurance that the 2015/16 Student Activity Data held by the assigned colleges and used to report on achievement of delivery targets is robust and in accordance with the 'Credit Guidance: 2015-16 student activity data guidance for colleges' (SFC/GD/03/2015) and that on the basis of internal audit testing can provide reasonable assurance that the FES returns contain no material mis-statement.
- 4.2. For Glasgow Clyde College, the internal auditor made a Grade 2 recommendation that the College should ensure that a PLSP is completed for all ELS and Price Group 5 students and that these are retained as evidence of their completion. College staff should also ensure that the PLSPs contain all the information detailed in the SFC guidance.

- 4.3.** For Glasgow Kelvin College, the internal auditor made a Grade 3 recommendation that for courses that are other than full-time, ensure that the required date input into UnitE is calculated as the day on which 25 per cent of the total calendar days between the course start and end have passed.
- 4.4.** Other than as reported with the attached reports, there are no specific aspects to be considered under these headings.

Board of Management Audit Committee

Date of Meeting	Monday 28 September 2016
Paper No.	AC2-F
Agenda Item	9.1
Subject of Paper	Internal Audit Report – Management Letter FES Return Audit 2015-16
FOISA Status	Disclosable
Primary Contact	BDO
Date of production	November 2016
Action	For Discussion and Decision

Recommendations

The Committee is asked to consider and discuss the attached report.

City of Glasgow College

MANAGEMENT LETTER

FES Return Audit 2015/16



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REPORT STATUS	
Auditors:	Zahid Hanif
Dates work performed:	27 September - 11 October 2016
Draft report issued:	1 November 2016
Final report issued:	1 November 2016

DISTRIBUTION LIST	
Stuart Thompson	Executive Director Finance
Louise Anderson	Head of Student Records
Audit Committee	

Restrictions of use

The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

INTRODUCTION, AUDIT APPROACH AND SCOPE

1. Introduction

- 1.1 A review of the College's FES (further education statistical) data return has been carried out in accordance with the 'Credit Guidance: 2015-16 student activity data guidance for colleges' (SFC/GD/03/2015) issued in May 2015 and the audit guidance for colleges (SFC/GD/16/2016) issued on 12 August 2016.
- 1.2 Our report is based on information supplied by college management and staff and the audit approach outlined below.

2. Audit Approach and Scope

- 2.1 We assessed the overall control environment by considering whether:

- 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
- the FES return contains no material misstatement.

- 2.2 The purpose of the review was to examine the adequacy of the sub-systems used by the College in relation to the Credit Guidance, the audit guidance and associated guidance to complete the student data returns.

The assessment of the control environment as outlined above was used to determine specific tests and sample sizes.

Our review also sought to address all the risk areas outlined in Annex D of the audit guidance issued on 12 August 2016.

- 2.3 Our fieldwork, which took 8 days to complete, was undertaken by a qualified senior manager and was reviewed by the Director responsible for the assignment. All personnel have previous experience of delivering internal audit assignments to FE Colleges.
- 2.4 Our test samples were selected from full population data sets and were representative of the area under review e.g. sampling across all key modes of attendance.

AUDIT TESTS

A summary of the specific tests, together with sample sizes which were randomly selected, are as follows:

- We reviewed class lists for 20 courses ensuring that all students had in fact attended after the 25% required date (518 students in total).
- A sample of 20 courses, totalling 9,002 Credits (greater 5% of total Credits), was randomly selected based on an initial review of courses by Dominant Programme Group (DPG). The programme codes, the dominant group numbers, and the number of students enrolled on class registers were checked to supporting documentation for reasonableness and accuracy. We also recalculated the individual Credits for each of the 20 courses and agreed the 25% required date as accurate.
- For a range of tests, we traced our sample of students to an enrolment form (or student summary record) to confirm the Credits figure attributable was to a bona fide student of the College.
- We reviewed a sample of 15 withdrawn students to confirm that, for each student, their withdrawal was completed correctly and in a timely manner and that the date of last attendance agreed to the class register. No exceptions were noted. Also, as this was an area where we had previously identified a control weakness in our testing of the 2014/15 SUMs return, (where we found that the date of last attendance on enquirer did not agree with the date of last attendance on the student records system) additional testing was carried out to ensure controls around the recording of student withdrawal dates matched on both systems. No issues were noted.
- We confirmed and reviewed the process in place for Programme design within the College to ensure that controls were operating to correctly classify courses as HE or FE and whether they were FT or PT. We also reviewed a sample of courses to ensure that the correct DPG had been used for each course.
- We reviewed a sample of 15 students (2% of total) qualifying for Extended Learning Support (ELS). Tests were carried out to confirm that none of the programmes have Dominant Group 18 status, and that Personal Learning Support Plans are maintained for all students classified as ELS. In addition, we confirmed that all students attended beyond the required date.
- We reviewed a sample of 11 DPG 18 courses (10% of total) and confirmed that Personal Learning Support Plans were maintained at course level for all students included on these courses and that the students had not been classified as ELS. We also confirmed that all students attended beyond the required date.

AUDIT TESTS (cont'd)

- We reviewed, in full, courses which spanned the academic year to confirm the College had deferred until next year all Credits for courses spanning 2015/16 to 2016/17.
- We identified that there were 15 ECDL courses undertaken during 2015/16 (for which Credits were claimed). We tested 2 courses (10% of total) and confirmed Credits had been calculated correctly and that they did not exceed the maximum allowable Credits for ECDL-related provision.
- We reviewed a sample of 9 Infill students (5% of total) to confirm that Credits were only claimed for students that had attended past the required date, were properly enrolled and were eligible to claim Credits under Infill.
- We reviewed a sample of 15 Infill students (1% of total Infill students where a completed fee waiver form is required) to ensure that a College fee waiver form was completed and authorised and appropriately backed up by supporting documentation. We also tested to confirm a student summary record and evidence of attendance existed (past the required date) and that students were enrolled on eligible courses. We also tested the Credits data to confirm that only one FT fee is recorded per student in the academic year.
- We reviewed the procedures in place which ensure that Credits claimed for additional part-time related study were justified. For a sample of students (with high Credit claims) we obtained explanations for their additional study. We confirmed that only one FT course had been claimed for these students and in all cases the explanations obtained for the additional study were reasonable and justified.
- We reviewed a sample of 15 part time students to assess their eligibility. This was done by tracing to an enrolment form (or student summary record). We also agreed our sample to class registers to confirm that these students also passed the 25% required date.
- We reviewed a sample of 11 ESOL courses (10% of total) to confirm that the Credits claimed were accurate. We then selected 1 student from each course to confirm that the student was properly enrolled in the college and attended past the required date.
- We discussed with College personnel to establish whether any collaborative provision had been undertaken by the College during 2015/16. We confirmed that there were no collaborative programmes during the current audit period.

AUDIT TESTS (cont'd)

- We identified that there were 14 open / distance learning courses delivered during the year that attracted Credits. We tested a sample of 3 courses (20% of total) and confirmed that a mechanism was in place to track and record student participation and progress on these courses. We also confirmed Credits had been correctly calculated for these courses and that a student summary record was in place for all enrolled students.
- We reviewed administration procedures in place for managing European Social Fund (ESF) claims. For a sample of 10 ESF students we confirmed that they had met the relevant eligibility criteria, an enrolment and participant form had been completed, and a process was in place to track student destination at the 4-week and 6-week points. We also obtained BACS evidence to confirm funds had been correctly disbursed to students.

We have made no recommendations in this year's audit. We can also confirm that there were no adjusted errors as a result of our review.

ANALYTICAL REVIEW

A brief summary of the analytical review work undertaken is as follows:

- We compared the student numbers per mode of attendance with prior years, investigating any significant fluctuations with College staff; and
- We obtained the fee waiver figures per category of fee waiver and compared these with previous year's figures, investigating any significant fluctuations with College staff.

Note: Due to the reporting change from SUMs to Credits it was not possible to carry out a meaningful analytical review of Credits per DPG for 2015/16.

ANALYTICAL REVIEW(cont'd)

The final 2015/16 FES return submitted to SFC by the College matched the figures we reviewed. The College's Credits (excl. ELS and ESF related activity) target set by SFC was **164,595**. Actual Credits included within the College's FES return are **165,886**, which is (0.78%) over the target.

<i>Fundable Student Headcounts</i>			
<i>Student Numbers</i>	<i>2015/16</i>	<i>2014/15</i>	<i>2013/14</i>
<i>Head Count</i>			
HEFT	6,239	5,783	5,689
HEPT	734	741	700
FEFT	2,600	2,396	2,365
FEPT	<u>5,753</u>	<u>4,452</u>	<u>4,672</u>
	<u>15,326</u>	<u>13,372</u>	<u>13,426</u>

Fundable student numbers have increased by 1,954 in comparison with last year. The main area of increase is within the further education part-time category (interestingly, this area showed the greatest decrease last year). The primary reason for the fluctuation is due to changes in courses offered by the College.

ANALYTICAL REVIEW (cont'd)

All Student Enrolments			
Student Numbers	2015/16	2014/15	2013/14
<i>Enrolments</i>			
HEFT	6,761	6,348	6,270
HEPT	3,185	2,996	3,097
FEFT	2,667	2,450	2,505
FEPT	<u>15,999</u>	<u>12,872</u>	<u>13,831</u>
	<u>28,612</u>	<u>24,666</u>	<u>25,703</u>

There has been an increase of approximately 16% in the number of student enrolments during the year which is mainly due to the rise in the number of part-time courses offered as a result of a review of the course curriculum.

ANALYTICAL REVIEW (cont'd)

Fee Waiver Claim	2015/16 (£)	2014/15 (£)	2013/14 (£)
Full time non advanced	2,219,616	1,952,496	2,029,104
Income support	50,788	50,188	80,687
Low income with no benefits	239,230	276,859	329,540
Island Authority fee waiver	0	0	0
Cost borne by college	32,720	7,476	4,402
Incapacity benefit	1,503	761	296
Severe disablement allowance	369	854	338
Housing benefit	18,675	14,389	4,469
Special needs (DPG 18) students	264,382	306,480	304,443
Carers allowance	1,695	1,410	2,746
Disability living allowance	8,856	9,856	7,972
Pension credit	3,329	3,725	2,461
Working tax credit	43,927	47,669	22,459
Old FT criteria	209,134	310,269	143,961
School pupils	51,575	35,174	52,635
Attendance allowance	795	0	0
Income based jobseekers allowance	103,035	74,206	39,019
Employment and support allowance	16,286	19,921	12,872
Student in care	0	0	0
Asylum seeker or spouse or child of an asylum seeker	114,827	129,243	108,978
Contributory employment and support allowance (ESA)	<u>973</u>	<u>2,544</u>	<u>2,090</u>
	<u>3,381,715</u>	<u>3,243,520</u>	<u>3,148,472</u>
Total (excl. cost borne by college and over claims)	<u>3,303,764</u>	<u>3,205,919</u>	<u>3,135,154</u>

ANALYTICAL REVIEW (cont'd)

There has been an overall increase in fee waiver (excluding cost borne by college and over claims) of approximately 3%.

There has been an increase of nearly 14% (£267k) in fee waivers for full-time non-advanced which is primarily due to an increase in FEFT enrolments. There has been an increase (£25k) in fee waiver cost borne by college due an increase in the number of Credits delivered on Worldskill's course programmes. Fee waiver housing benefit has also increased by nearly 30% (£4k); this was attributed to an increase in ESOL provision and a change in enrolment profile. Fee waiver for school pupils increased by over 46% (£16k) due to an increase in volume of school pupil activity.

There were also decreases in fee waiver for other categories such as 'low income' (14%, £38k), 'income related employment and support allowance' (18%, £4k) and 'asylum seeker or spouse or child of an asylum seeker' (11%, £14k).

Categories fluctuate as a result of the type of student enrolled at the College and, as such, it is not unreasonable for the totals within the individual categories to vary from year to year.

CONCLUSION AND ACKNOWLEDGMENT

Conclusion

The College's systems and procedures were found to be sufficiently adequate to promote the accurate collection and recording of data in respect of the FES and fee waiver returns.

Acknowledgement

We wish to thank the College staff for their co-operation and assistance throughout this review.



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AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF MANAGEMENT OF CITY OF GLASGOW COLLEGE

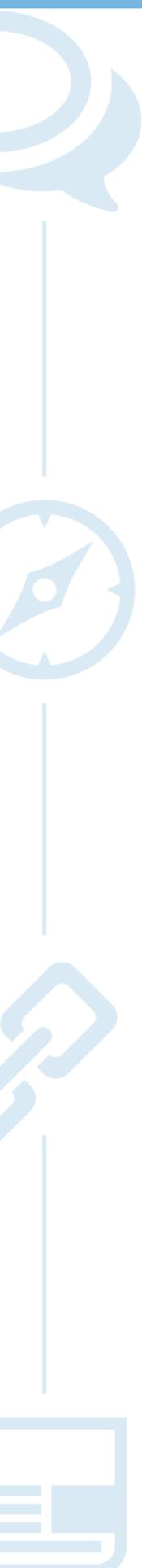
We have audited the FES return which has been prepared by City of Glasgow College under the 'Credits' Guidance issued 19 May 2015 and which has been confirmed as being free from material misstatement by the college's Principal in his Certificate dated 12th October 2016.

We conducted our audit in accordance with guidance contained in the 2015-16 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.

Signature	
Date	26 th October 2016
Name of audit firm	BDO UK LLP
Contact name	Ruth Ireland
Contact telephone number	0141 249 8476
Date FES returned	13 th October 2016



Glasgow Clyde College

2015/16 Student Activity Data

Internal Audit Report No: 2016/09

Draft Issued: 18 October 2016

2nd Draft Issued: 26 October 2016

Final Issued: 8 November 2016

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1. Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 12 August 2016, '2015-16 data return for funding purposes (FES return) and audit guidance for colleges', requested submission by Glasgow Clyde College ('the College') of the FES return for session 2015/16, which includes the Credits data relating to College activity for the academic year 2015/16.

Guidance on completion of the 2015/16 return was issued by the SFC on 19 May 2015.

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).

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 23 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, Qualified Auditor and Audit Trainee with 11, three and one years' experience in the sector respectively. The Audit Partner was responsible for the overall management of the audit and ensuring that the firm's quality standards were met.

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 seven, split one day for the Audit Director, one day for the Assistant Manager, three days for the Qualified Auditor and two days for the Audit Trainee.

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.

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 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 to SFC was submitted on the deadline date of 14 October 2016. 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 Glasgow Clyde College who helped us during the course of our audit.

2. Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.3.2	<p>Additional Educational Support Needs</p> <p>R1 The College should ensure that a PLSP is completed for all ELS and Price Group 5 students and that these are retained as evidence of their completion. College staff should also ensure that the PLSPs contain all the information detailed in the SFC guidance.</p>	2	Head of MIS to table this issue at Curriculum Assistant Principals meeting and discuss required changes to current PLSP format and reminder to faculty staff to complete and retain PLSPs for all ELS and PG5 students. Actions agreed at CAP meeting to be implemented by Feb 2017.	Yes	Brian Gallagher, Head of MIS	February 2017

3. Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 12 August 2016 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 attendance and withdrawals;
- allocation of Credit values;
- claims for related study;
- identification of students experiencing learning difficulties;
- recording of fee waivers;
- recording of progress for students on open / distance learning programmes; and
- claims for collaborative provision.

1.1.2 This is the first year that we have carried out the student activity data audit for Glasgow Clyde College ('the College').

1.1.3 We documented, through discussion with College staff, the 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).

1.1.4 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; the extent of checking undertaken; the external data examined; an indication of analytical review work performed; review of prior year recommendations; and the main findings from our audit work. As requested by the guidance, the report 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 UNITE 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 of full-time 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 67 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 2015/16 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 records and, for withdrawals (including a 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 Extended Learning Support (ELS) and Price Group 5 (DPG 18) students checked that a Personal Learning Support Plan (PLSP) had been drawn up in conjunction with the student, to identify additional support, and checked for evidence that it had been kept under regular review throughout the period of study.
- 2.1.4 The following tests were carried out by reviewing records for all College courses:
- a) Sought to ensure that there were no claims for more than one full-time enrolment per student for 2015/16 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 ELS Credits had not been claimed for students attending Price Group 5 courses; and
 - c) Confirmed that Credits had not been claimed for distance learning students resident outwith Scotland.

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

2.1 Introduction (Continued)

- 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 enrolment form; a completed participant form; proof of nationality; proof of permanent residence; and appropriate notification issued to the student; and
 - c) ensuring that Credits are only claimed for completed modules.
- 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 five part-time students we confirmed that College staff had verified the entitlement to benefit.
- 2.1.7 It was confirmed by the Head of MIS 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 this area.
- 2.1.8 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors. We noted that the error report flagged up 13 students where more than one full-time course had been claimed in the academic year. We established that these students were originally on one full-time course and one part-time course. The part-time course was subsequently reclassified as full-time as the enrolment was worth 12 Credits and therefore met the definition of full-time for an advanced course per the Credits guidance. The total number of Credits for the second course was 158. We understand that the SFC has accepted this claim for 2015/16 academic year.
- 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 2015/16 student activity data.

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

2.2 Credits Value

2.2.1 We noted two modules where the Credits value had been incorrectly calculated on the ASL Schools Programme. These modules were initially planned as one combined module but they were later split into two modules, with the Credit value for each remaining the same, in error, despite the planned hours being halved. This resulted in 1.25 Credits being over-claimed for 12 students across the two modules giving rise to a total over claim of 15 Credits. This error has not been adjusted by the College. Discussion with the Head of MIS, and review of guidance notes, identified that there is a detailed process in place to ensure that information on subjects that make up each course is kept up-to-date. This is the responsibility of the Senior Lecturer for each course, who should instruct Faculty Admin to make updates in UNITE. The Head of MIS circulates the guidance to the Senior Lecturers on a regular basis to remind them of their responsibilities; provides regular training sessions and briefings; and meets with schools to review their subject set-up and amendment processes and look in detail at their data with them. Given the processes already in place no further recommendation has been made and the one error found has been accepted as down to human error.

2.3 Additional Educational Support Needs

2.3.1 The Credits guidance specifies the requirements for claiming for ELS and Price Group 5 (DPG 18) provision. The SFC guidance (previous years' SUMs guidance) details the evidence that must be recorded in the student's PLSP.

2.3.2 For academic year 2015/16 a sample of seven ELS and eight Price Group 5 students was selected and evidence reviewed to ensure that PLSPs had been drawn up in conjunction with the students and that these contained the information detailed in the SFC guidance. The following issues were noted from our review:

- all seven of the ELS students' PLSPs did not document that the students' educational aims and goals had been determined although were completed in all other respects;
- a PLSP could not be found for one Price Group 5 student selected for testing;
- the PLSP had not been fully completed for one other Price Group 5 student tested, although evidence of ongoing review had been documented;
- for three Price Group 5 students we found that the students' support needs had not been fully documented in the PLSP. Through discussion with College staff it was noted that these will be established prior to enrolling the student on a Price Group 5 programme and details should then be attached to the students' PLSPs, however details had been omitted on these occasions; and
- there was no evidence of ongoing review documented on the PLSP for one Price Group 5 student selected for testing.

A further sample of four Price Group 5 students was selected and this testing proved satisfactory with the exception of one further student noted where the student's support needs had not been fully documented in the PLSP.

Recommendation

R1 The College should ensure that a PLSP is completed for all ELS and Price Group 5 students and that these are retained as evidence of their completion. College staff should also ensure that the PLSPs contain all the information detailed in the SFC guidance.

3. Analytical Review

3.1 As part of the College's internal processes the MIS team converted the 2014/15 student activity data, which was previously reported as SUMs, into the Credits equivalent which was then measured against the Credits activity in 2015/16. As part of our audit we performed an analytical review of the Credits data in both years at Appendix III which showed significant variances in DPG 4, 8, 14, 15 and 18. 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 4 Computers, software & information – there was stronger recruitment and retention in HN Computing in academic year 2015/16 than in academic year 2014/15. The increase in Credits was also due to further post-merger standardisation of options, including additional vendor qualifications, across the different campuses;
- DPG 8 Health & related studies – there were a range of reasons for a reduction in this area. There was delivery planned (one class group each) in each of HNC Care & Administrative Practice; the College decided to move more Vocational Training Charitable Trust (VTCT) courses to a commercial basis; and a change in subject delivery caused automatic re-categorisation of two programmes from this area to that of Social work (DPG 15);
- DPG 14 Social studies & languages – there has been a significant planned reduction in the College's general education provision at both NQ and Higher level, covering a range of subjects many of which fell within this category. There has also been a movement through changes in subject delivery causing re-categorisation of a number of childcare courses from Social studies to Social work (DPG 15). Finally, some of the January start courses offered were assessed as recruiting learners requiring additional support and categorised as DPG 18;
- DPG 15 Social work – there has been a planned increase in this range of courses in line with the Glasgow Region Curriculum & Estates Review. There has also been an increase through the automatic re-categorisation of a number of childcare courses from Social studies (DPG 14) to Social work; and
- DPG 18 Special educational needs – there has been a review of the level of support provided for students in a range of courses leading to re-categorisation of some, mainly January SCQF Level 4 courses, from other categorisations to DPG 18 (refer DPG 14 explanation above).

Appendix I – Copy of Audit Certificate

cbw/si/G366

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

14 October 2016

Dear Sirs

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

We have audited the FES return which has been prepared by Glasgow Clyde College under the 'Credits' Guidance issued 19 May 2015 and which has been confirmed as being free from material mis-statement by the College's Depute Principal in her Certificate dated 14 October 2016. We conducted our audit in accordance with guidance contained in the 2015-16 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 mis-statement.

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.

Yours faithfully

Henderson Loggie

Date:

14 October 2016

Appendix II – Summary of Adjusted and Unadjusted Errors

Report Para	Error identified	Adjusted/unadjusted	Approx Value
2.2.1	Module Credit value for a Price Group 5 programme not calculated on planned learning hours in error.	Unadjusted	-15 Credits
2.3.2	PLSP not found for one Price Group 5 student.	Unadjusted	-20 Credits

College Funded Target 2015/16 128,044 Credits

The above target figure includes 123,561 core Credits and 4,483 ESF.

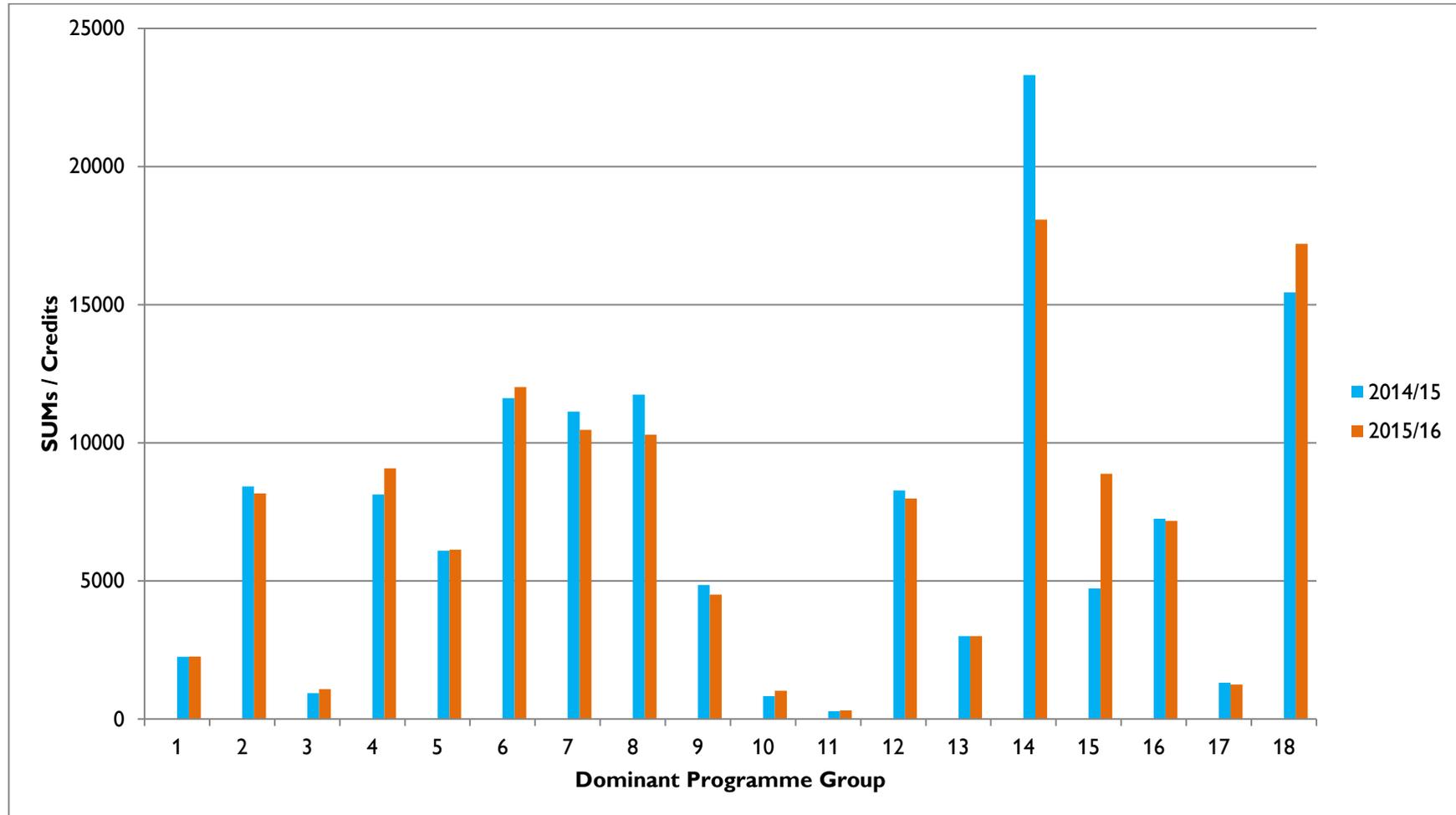
The SFC FES Summary Totals Report shows a College Funded Target of 129,410, including 4,483 ESF Credits. Management advised that the target of 128,044 above represents the College's agreed split of the Glasgow Region target following the allocation of additional Credits to the region in-year.

Final claimed 2015/16 128,872 Credits

Appendix III – Analytical Review 2014/15 and 2015/16 - Figures

Dom Gp		<u>2014/2015</u>	<u>2015/2016</u>	Credits	%
		Credits	Credits	Variance	Variance
1	Agriculture, horticulture and animal care	2,249	2,260	11	(0.5)
2	Business & management	8,419	8,170	(249)	(3.0)
3	Catering & food	937	1,078	141	15.0
4	Computers, software & information	8,129	9,068	939	11.6
5	Construction	6,088	6,129	41	0.7
6	Creative arts & design	11,619	12,015	396	3.4
7	Engineering	11,126	10,470	(656)	(5.9)
8	Health & related studies	11,743	10,288	(1,455)	(12.4)
9	Minerals, materials & fabrics	4,858	4,501	(357)	(7.3)
10	Personal development & self help	828	1,028	200	24.2
11	Printing	285	310	25	8.8
12	Science & maths	8,276	7,982	(294)	(3.6)
13	Secretarial / office & sales work	3,007	2,999	(8)	(0.3)
14	Social studies & languages	23,308	18,081	(5,227)	(22.4)
15	Social work	4,731	8,875	4,144	87.6
16	Sport & leisure	7,249	7,175	(74)	(1.0)
17	Transport, services & vehicle engineering	1,321	1,246	(75)	(5.7)
18	Special educational needs	15,444	17,197	1,753	11.4
	Totals (excluding ELS)	<u>129,617</u>	<u>128,872</u>	<u>(745)</u>	<u>(0.6)</u>
	Total Target Activity		128,044		
	- including ESF Target Activity of:		4,483		
	ESF Actual Activity		5,223		

Appendix IV – Analytical Review 2014/15 and 2015/16 - Graph



Appendix V – Updated Action Plan – Student Activity Data 2014/15

Ref	Original Finding	Sig.	Original Recommendation	Original Management Response	Original Responsibility and Implementation Date	Progress at September 2016
1	<p>Dominant Programme Group 18</p> <p>Course are categorised by their dominant programme group which is based on the relative teaching costs required for the units which are contained within courses of that type. A DPG18 course has a higher SUMs weighting due to the increased teaching effort involved in these courses.</p> <p>One out of the 10 DPG18 courses selected was incorrectly categorised as DPG18. Further enquiries found that this course was subject to discussions at the start of the course as to whether it should be categorised as a DPG18 course due to the learning needs of the students on the course. It was decided that this should not be a DPG18 course but the students who required additional support should be classed as ELS students. However, the course was not re-categorised as a non DPG18 course at this time in error. Management explained that there were no other courses for which there was a debate about correct classification. We extended our sample by a further two courses and found no further issues. The course has now been re-categorised as a DPG8 course.</p> <p>There is a risk that SUMs will be overstated if courses are incorrectly categorised as a DPG18 course.</p>	Medium	We recommend that management review all DPG18 courses at the end of the year to ensure that all of these courses are correctly categorised.	Agreed. Review of these courses will be undertaken as part of course portfolio planning and review process. For AY2015/16 the funding model has changed from WSUMs to credits and therefore the type of courses will not be subject to a multiplier as was previously the case. These courses will now be reflected as price band 5 rather than DPG18 and hence it is still important for the courses to be classified correctly as they will be subject to a higher price band.	<p><i>Responsible Officer:</i> Brian Gallagher</p> <p><i>Implementation Date:</i> 31 January 2016</p>	No similar issues identified during testing in 2015/16.

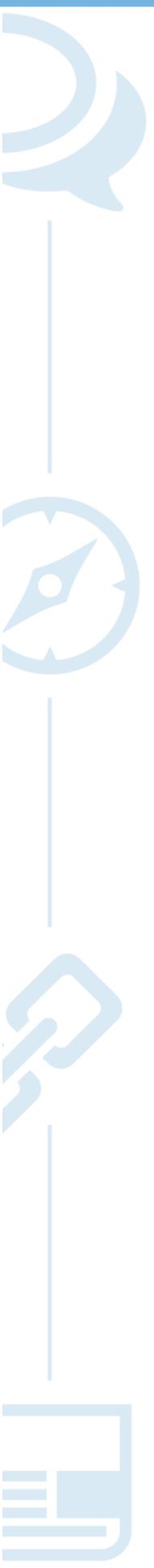
Ref	Original Finding	Sig.	Original Recommendation	Original Management Response	Original Responsibility and Implementation Date	Progress at September 2016
2	<p>A DPG18 course requires that a personal learning and support plan (PLSP) is completed for each student on the course.</p> <p>One out of the 24 DPG18 students selected did not have a PLSP in place. We were informed that there was originally a PLSP completed for this student but this could not be located at the time of our review. As a result, the SUMs for this student have not been claimed.</p> <p>There is a risk that SUMs are being overstated if the criteria for a DPG18 student are not being adhered to.</p>	Medium	We recommend that the College ensures that a PLSP is completed for all DPG18 students and that these are retained as evidence of their completion.	Agreed. We will discuss DPG18 completion and retention with Heads of Curriculum and Senior Lecturers during staff development in AY2015/16. A Director is currently preparing a project to extend the existing online ELS PLSP system to cover DPG18 PLSPs; this will allow automatic identification of any areas where PLSPs have not been completed and will ensure retention of information once completed.	<p><i>Responsible Officer:</i> <i>Brian Gallagher</i></p> <p><i>Implementation Date:</i> <i>28 February 2016</i></p>	A PLSP could not be found for one Price Group 5 student selected in our sample testing for 2015/16. In several other instances the PLSP had not been fully completed. Refer to paragraph 2.3.2 of main report.

Ref	Original Finding	Sig.	Original Recommendation	Original Management Response	Original Responsibility and Implementation Date	Progress at September 2016
3	<p>Multiple Enrolments</p> <p>The College is only able to claim SUMs for one full time course per student in each academic year.</p> <p>Our review of multiple enrolments found that one student had been incorrectly included on two full time courses. The student records system has now been amended to reflect the accurate SUMs value for the student. We recognise that exception reporting is in place which would have identified this error when the next FES run was processed. A further review confirmed that management had completed exception reporting which confirmed that this was an isolated error.</p>	Low	We recommend that the College ensures that management checks are carried out to ensure that SUMs are only claimed for one full time course for each student.	Agreed. We will increase the frequency of existing exception reporting to identify and remove this kind of error.	<p><i>Responsible Officer:</i> <i>Brian Gallagher</i></p> <p><i>Implementation Date:</i> <i>31 December 2015</i></p>	No similar issues identified during testing for 2015/16.

Ref	Original Finding	Sig.	Original Recommendation	Original Management Response	Original Responsibility and Implementation Date	Progress at September 2016
4	<p>Student Withdrawals</p> <p>Withdrawal forms are completed for each student who withdraws from the course during the year. The last date of attendance for the student is included on the form.</p> <p>We note that for two out of the 20 withdrawn students selected, the withdrawal form was not completed and processed on the student records system until over two months after their last dated attendance. This had no effect on the SUMs count, and the last attendance date noted matched register records.</p> <p>There is the risk that the student records system does not reflect the current status of the students within the College.</p>	Low	We recommend that all students withdrawing are recorded in a timely manner using the College withdrawal form.	Agreed. Withdrawals are often subject to a lengthy and variable process of follow up contact and discussion with students who may or may not return. We will discuss withdrawal monitoring and follow up procedures with Heads of Curriculum and Senior Lecturers during staff development in AY2015/16 with a view to minimising such delays.	<p><i>Responsible Officer:</i> <i>Brian Gallagher</i></p> <p><i>Implementation Date:</i> <i>28 February 2016</i></p>	No similar issues identified during testing for 2015/16.

For each recommendation above, the College's previous internal auditors, BDO, assigned a level of significance either as High, Medium or Low depending upon the degree of risk assessed as outlined below:

Significance	Classification
High	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low	Areas that individually have no significant impact, but where management would benefit from improved controls and / or have the opportunity to achieve greater effectiveness and / or efficiency.



Glasgow Kelvin College

2015/16 Student Activity Data

Internal Audit Report No: 2016/11

Draft Issued: 14 October 2016

Final Issued: 14 October 2016

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1. Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 12 August 2016, '2015-16 data return for funding purposes (FES return) and audit guidance for colleges', requested submission by Glasgow Kelvin College ('the College') of the FES return for session 2015/16, which includes the Credits data relating to College activity for the academic year 2015/16.

Guidance on completion of the 2015/16 return was issued by the SFC on 19 May 2015.

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).

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 23 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 and Qualified Auditor with 11 and three years' experience in the sector respectively. The Audit Partner was responsible for the overall management of the audit and ensuring that the firm's quality standards were met.

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 six, split half a day for the Audit Director, three and a half days for the Assistant Manager and two days for the Qualified Auditor.

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.

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 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 to SFC was submitted on 13 October 2016, prior to the deadline date of 14 October 2016. 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 Glasgow Kelvin College who helped us during the course of our audit.

2. Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.2.2	<p>Required Dates and Attendance</p> <p>R1 For courses that are other than full-time, ensure that the required date input into UnitE is calculated as the day on which 25 per cent of the total calendar days between the course start and end have passed.</p>	3	MIS Manager will ensure that 25% dates are calculated correctly for all non-full time classes.	Y	M Smillie, MIS Manager	Sep 2017

3. Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 12 August 2016 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 attendance and withdrawals;
- allocation of Credit values;
- claims for related study;
- identification of students experiencing learning difficulties;
- recording of fee waivers;
- recording of progress for students on open / distance learning programmes; and
- claims for collaborative provision.

1.1.2 This is the first year that we have carried out the Credits audit for Glasgow Kelvin College ('the College'). As part of the Internal Audit programme at the College for 2015/16 we carried out an interim review of the arrangements in place for the collection and recording of student activity data (Internal Audit Report 2016/04, issued March 2016). At the interim visit we documented and reviewed the systems and processes put in place by the College to collect the Credits data and carried out a follow-up review of recommendations made in the 2014/15 Student Activity Data report.

1.1.3 At our year-end visit, we 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).

1. Introduction (Continued)

- 1.1.4 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; the extent of checking undertaken; the external data examined; an indication of analytical review work performed; review of prior year recommendations; and the main findings from our audit work. There were no adjusted or 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 UnitE 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 set out in 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 notes.

- 2.1.3 For a total of 70 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 notes;
- b) Checked back to signed enrolment forms, or electronic equivalent, for the 2015/16 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 records and, for withdrawals (including a 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;
- e) For Extended Learning Support (ELS) and Price Group 5 (DPG 18) students checked that a Personal Learning Support Plan (PLSP) had been drawn up in conjunction with the student, to identify additional support, and checked for evidence that it had been kept under regular review throughout the period of study.

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

2.1 Introduction (Continued)

- 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 2015/16 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 ELS Credits had not been claimed for students attending Price Group 5 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 enrolment form; a completed participant form; proof of nationality; proof of permanent residence; and appropriate notification issued to the student; and
 - ensured that Credits are only claimed for completed modules.
- 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 four part-time students we confirmed that College staff had verified the entitlement to benefit.
- 2.1.7 Collaborative activity undertaken by the College during 2015/16 related to SVQ Modern Apprenticeships and CITB programmes in Carpentry & Joinery, Painting & Decorating and Plumbing & Electrical installation, as well as a range of more general skills development and business support programmes. These programmes are delivered by the College in partnership with City Building LLP, a subsidiary company of Glasgow City Council, under a Service Level Agreement between the two organisations. The agreement in place was reviewed by us and it was confirmed that these programmes meet the requirements for eligibility for funding set out in the Credits Audit Guidance.
- 2.1.8 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors. We also noted correspondence with the SFC in relation to 'One Plus' activity in the Glasgow Region for 2015/16. There has been an increase in One Plus activity during 2015/16 mainly as a result of the College adding additional Credits for personal learning and development. The SFC has asked that the impact of this on student retention and achievement be reviewed but had not sought any further action in relation to 2015/16.
- 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. Systems and Procedures for Compilation of Returns (Continued)

2.1 Introduction (Continued)

2.1.10 The remainder of this report discusses issues identified during our review of the 2015/16 student activity data.

2.2 Required Dates and Attendance

2.2.1 For 2015/16 the Credits guidance noted that the 'required date' for programmes other than full-time should be calculated as the day on which 25% of the total calendar days between the course start and end have passed.

2.2.2 Included within our sample of 15 courses tested were eight courses classed as other than full-time. For seven of these eight courses we noted that the required date stated in the UnitE system had not been calculated in line with the 2015/16 Credits guidance. The effect of the recalculation in dates was not significant in terms of days in all but two instances and, in all cases, did not result in any additional students being brought in to or excluded from the Credits count.

Recommendation

R1 For courses that are other than full-time, ensure that the required date input into UnitE is calculated as the day on which 25 per cent of the total calendar days between the course start and end have passed.

3. Analytical Review

3.1 As part of the College's internal processes the MIS team converted the 2014/15 student activity data, which was previously reported as SUMs, into the Credits equivalent which was then measured against the Credits activity in 2015/16. As part of our audit we performed an analytical review of the Credits data in both years at Appendix II which showed significant variances in DPG 2, 4, 5, 8, 12, 15 and 16. 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 & management – there was a decrease in activity in this area and the whole of the TUC section was transferred from the College;
- DPG 4 Computers, software & information – the decrease in this area was due to the lower number of programmes offered in this grouping due to the reduction in staff numbers;

3. Analytical Review (Continued)

- DPG 5 Construction – Construction, Engineering and Science & Maths (DPGs 5, 7 and 12) include programmes such as Advanced Crafts, Electrical Engineering and Access to Nursing Degree. The decrease across the three DPGs, when taken together, is due to a slight drop in the number of programmes being offered and a slight drop in retention in the area of Science & Maths. Additionally, the full-time Sound Engineering programmes were once again reclassified;
- DPG 8 Health & related studies – Health, Social Studies and Social Work (DPGs 8, 14 and 15) are the SFC categories that include the College's activities in Child Care, Social Care, Social Science (including, Access to Humanities and Access to Nursing programmes) and some Hairdressing due to the classification of some of the units. Again, changes in curriculum from year to year often affect which of these DPGs a particular programme lies in. Aggregated they represent a significant and generally consistent part of the College's provision. When taken together they showed a small increase of 2% in activity;
- DPG 12 Science & maths – considered with Construction – see DPG 5 above;
- DPG 15 Social work – considered with Health – see DPG 8 above; and
- DPG 16 Sport & leisure – activity in this group has increased due to an increase in the number of programmes offered.

Appendix I – Copy of Audit Certificate

cbw/si/G362

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

13 October 2016

Dear Sirs

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

We have audited the FES return which has been prepared by Glasgow Kelvin College under the 'Credits' Guidance issued 19 May 2015 and which has been confirmed as being free from material mis-statement by the College's Principal in his Certificate dated 13 October 2016. We conducted our audit in accordance with guidance contained in the 2015-16 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 mis-statement.

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.

Yours faithfully

Henderson Loggie

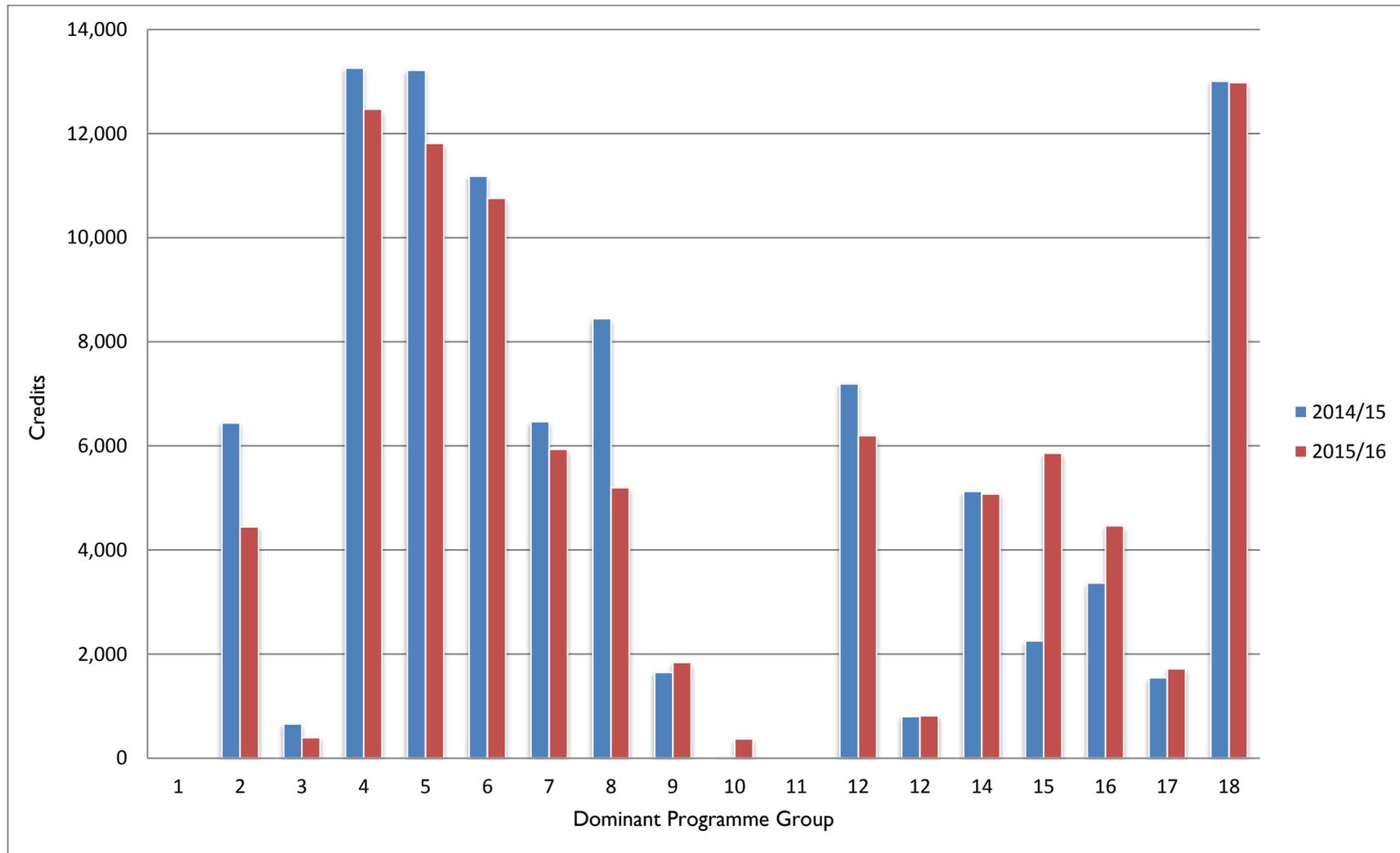
Date:

13 October 2016

Appendix II – Analytical Review 2014/15 and 2015/16 - Figures

Dom Gp		2014/2015	2015/2016	Credits	%
		Credits	Credits	Variance	Variance
1	Agriculture, horticulture and animal care	0	0	0	0
2	Business & management	6,439	4,445	(1,994)	(31.0)
3	Catering & food	656	398	(258)	(39.3)
4	Computers, software & information	13,259	12,473	(786)	(5.9)
5	Construction	13,217	11,813	(1,404)	(10.6)
6	Creative arts & design	11,182	10,761	(421)	(3.8)
7	Engineering	6,468	5,936	(532)	(8.2)
8	Health & related studies	8,448	5,198	(3,250)	(38.5)
9	Minerals, materials & fabrics	1,646	1,838	192	11.7
10	Personal development & self help	29	371	342	1,179.3
11	Printing	0	0	0	0
12	Science & maths	7,195	6,196	(999)	(13.9)
13	Secretarial/office & sales work	798	815	17	2.1
14	Social studies & languages	5,129	5,077	(52)	(1.0)
15	Social work	2,253	5,860	3,607	160.1
16	Sport & leisure	3,367	4,464	1,097	32.6
17	Transport, services & vehicle engineering	1,547	1,720	173	11.2
18	Special educational needs	13,007	12,980	(27)	(0.2)
	Totals (excluding ELS)	<u>94,640</u>	<u>90,345</u>	<u>(4,295)</u>	<u>(4.5)</u>
	Total Target Activity		89,527		
	- including ESF Target Activity of		4,892		
	ESF Actual Activity		5,537		

Appendix III – Analytical Review 2014/15 and 2015/16 - Graph



Appendix IV – Updated Action Plan – Student Activity Data 2014/15

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
We recommend the College ensure that SUMS are only claimed for students who have attended past the required date.	Low	Recommendation accepted	MIS Manager	July 2016	N/A	<p>Attendance reports are now reviewed weekly by the MIS team. Students that have not attended for a period of four weeks are recorded as withdrawn in UNIT-e as per the date of last physical attendance at the College.</p> <p>Testing of attendance for a sample of students was conducted as part of the 2015/16 Credits Audit and no issues were identified.</p>
We recommend that the College consider capping the number of SUMs that can be claimed for students enrolled on flexible learning programmes.	Low	Recommendation Accepted, the College has claimed this activity within the funding rules, however, it will seek to cap flexible learning activity at no more than 1 FTE in future years.	MIS Manager	June 2016	N/A	<p>MIS has now developed a report which was run towards the end of the academic year to show the Credits claimed for each student on a flexible learning programme.</p> <p>No similar issues were identified during our testing for 2015/16.</p>

Glasgow Kelvin College
2015/16 Student Activity Data

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
We recommend that the College ensure that it retains evidence of the enrolment process for each student enrolled at the College.	Medium	Recommendation Accepted	MIS Manager	June 2016	Through our testing of ECDL SUMS we were unable to obtain enrolment forms for 3 of the 10 students selected for testing. We verified the existence of these students to their registration with the BCS (The Chartered Institute of IT). Our sample testing of the other areas of the FES data highlighted no similar issues. We repeat our original recommendation.	For academic session 2015/16, confirmation of enrolment forms being in place was undertaken by the MIS team as part of the in-year checking of student data. Further checking was conducted by MIS at the end of the academic year. Testing of enrolment forms was conducted as part of the 2015/16 Credits Audit and no issues were identified.
We recommend that SUMs are only claimed for those students that meet the eligibility criteria as set down by the SFC.	Medium	Recommendation Accepted, this check had not been done in advance of the audit which took place earlier than in past years.	MIS Manager	August 2016	Our testing found that SUMs had been claimed for the College's non-EU students. This resulted in an overclaim of 327 RSUMs which has been adjusted by the College. We repeat our original recommendation.	Overseas students were checked for 2015/16 and MIS has ensured that nil credits were claimed for them. Further checking was conducted by MIS at the end of the academic year. Testing of overseas students was conducted as part of the 2015/16 Credits Audit and no issues were identified.

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
<p>We recommend that the College ensure that the appropriate documentation is obtained from fee waiver students and where it is not, the students are removed from the fee waiver claim.</p>	<p>Medium</p>	<p>Recommendation Accepted, the Finance team focus has been on collecting fees during the year as there is currently no funding associated with the collection of fee waiver forms.</p>	<p>Head of Finance</p>	<p>December 2015</p>	<p>Through our sample testing of 10 fee waiver students we were unable to obtain the fee waiver form for 5. We also found that 2 of the 5 forms obtained had not been signed by the student. We extended our sample by a further 5 students and were unable to obtain the fee waiver form for 3 of these students.</p> <p><i>We repeat our original recommendation.</i></p>	<p>Procedures have been put in place to ensure that Finance staff check that fee waiver forms are completed and evidence has been checked. Finance now perform in year audits of fee waiver forms by selecting fee waiver students from UNIT-e and checking through to fee waiver forms.</p> <p>Testing of fee waivers was conducted as part of the 2015/16 Credits Audit and no issues were identified.</p>

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
<p>We recommend that SUMs are allocated on a module by module basis, i.e. 0.57 SUMs allocated for each module attempted. The tutors should inform MIS when the student has attempted a module and this can be added to the student's UNIT-e records and SUMs be claimed for this. This process should reduce the risk of the College claiming more than the full 4 SUMs for any of its ECDL students.</p>	<p>Medium</p>	<p>The College continues to seek to ensure that no more than 4 SUMs are claimed for any ECDL student.</p>	<p>MIS Manager</p>	<p>July 2016</p>	<p>During our testing of ECDL we were again unable to obtain evidence to show which modules were undertaken by each student during the year. We have therefore been unable to verify whether the ECDL SUMs have been claimed in accordance with the SFC guidance. We have included all ECDL SUMs claimed by the College as an unadjusted error.</p> <p><i>We repeat our original recommendation.</i></p>	<p>Credits will now only be claimed based on the ECDL modules completed. No new ECDL students were enrolled in 2015/16.</p>

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
We recommend that detail on the PLSP is tailored to ensure that the individual needs of each student is clearly demonstrated.	Low	Recommendation Accepted, the College will continue to seek to develop the use of PLSPs throughout the organisation.	Vice Principal	July 2016	<p>Through the testing carried out during our audit in 2014/15 we found that the student needs detailed within the PLSPs for DPG18 students are still not tailored to the circumstances of each individual student and still contain a standard paragraph to explain why the student is enrolled on a DPG18 course.</p> <p><i>We repeat our original recommendation.</i></p>	<p>Procedures are in place to ensure that a PLSP is completed for all applicable students. A standard PLSP format is in use and staff have been provided with guidance on how these should be completed.</p> <p>Testing of PLSPs was conducted as part of the 2015/16 Credits Audit and no issues were identified.</p>

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
<p>We recommend that the College take care to ensure that required dates are calculated and recorded correctly.</p>	<p>Medium</p>	<p>Recommendation Accepted</p>	<p>MIS Manager</p>	<p>July 2016</p>	<p>Throughout our testing of the required dates calculated we identified one part-time course where the required date had been incorrectly recorded. Each eligible student enrolled on this course had been allocated 20 SUMs however this was a part-time block release course. This resulted in an overclaim of 120 RSUMs which has subsequently been adjusted by the College.</p> <p><i>We repeat our original recommendation.</i></p>	<p>Required dates are checked as part of the in-year review of student records data.</p> <p>Testing of required dates for a sample of courses was conducted as part of the 2015/16 Credits Audit and similar issues were identified. However, there was no impact on Credits claimed based on the sample of courses tested. See paragraphs 2.2.1 & 2.2.2 of main report.</p>

Recommendation	Grade	Management Response	To be Actioned By	No Later Than	Progress Reported in 2014/15 Student Activity Data Report September 2015	Progress at October 2016
<p>We recommend that the College ensures that all PLSPs include evidence that the student has been involved as a central figure in the decision making relating to their PLSP and that PLSPs are signed as agreed by the student or their representative.</p> <p>2013/14 Follow Up We recommend that the College ensure that all PLSPs are signed by the student. We also recommend that where electronic signatures are being used, the College record the date on which the signature was obtained.</p>	Medium	Recommendation Accepted, the College will continue to seek to develop the use of PLSPs throughout the organisation.	Vice Principal	July 2016	<p>Through our sample testing of PLSPs in 2014/15, we found two which had not been signed by the student.</p> <p><i>We repeat our original recommendation.</i></p>	<p>Procedures are in place to ensure that a PLSP is completed for all applicable students. A standard PLSP format is in use and staff have been provided with guidance on how these should be completed.</p> <p>Testing of PLSPs was conducted as part of the 2015/16 Credits Audit and no issues were identified.</p>

For each recommendation above, the College's previous internal auditors, Wylie+Bisset LLP, assigned a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by senior management of the organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.