GCRB | Glasgow Colleges' Regional Board

Audit Committee Meeting

Date of Meeting	Thursday 31 May 2018
Paper Title	Updates from assigned college audit committees
Agenda Item	20
Paper Number	AC4-P
Responsible Officer	Robin Ashton, Executive Director
Recommended Status	Disclosable
Action	For noting

1. Report Purpose

1.1. Consider updates on key items of business undertaken by the audit committees of the assigned colleges.

2. Recommendations

2.1. The Committee is invited to **note** this report.

3. Background

3.1. The Committee receives updates from the audit committees of the assigned colleges on key matters considered at each of their meetings, in order to support identification of opportunities for cross-region collaboration in areas of shared interest.

3.2. Members should also note that the attached report, and an update from this meeting of the GCRB Audit Committee, is provided to the College Audit Committees.

4. Risk Analysis, legal implications, financial implications and Regional Outcome Agreement implications

4.1. Other than as reported, there are no specific aspects to be considered under these headings.

College: Glasgow Clyde College

Date of Meeting: 23 May 2018 - Members should note that this meeting is scheduled to take place after the date on which the GCRB papers will be distributed (22 May), therefore a summary of the papers has been provided by the Vice-Principal rather than the outcome of decision of the Committee.

Topic of Discussion	Summary and Outcome of Discussion	Impact on GCRB (if any)
Remit of Committee – minor amendment	All of the College Committee remits were reviewed in the previous Committee cycle to report into the March Board of Management. This paper reports one further minor amendment made since the last Committee which was in relation to the Committee satisfying itself that the other College Committees provide assurance to the Board as appropriate on their governance related activities.	
Internal Audit Report – Curriculum	This was an internal audit review of the College's curriculum with the following five objectives:- 1. It is aligned with national and regional priorities and meets needs of learners, industry and employers; 2. There is a process to review and refresh existing programmes on a regular basis; 3. The College has exploited the potential of new technology in order to widen access to the curriculum and enhance the learner experience; 4. The curriculum planning process takes sufficient cognisance of the College's share of the Region's credits target; 5. There are strong links between the curriculum planning process and workforce planning and budgeting. The level of assurance of the internal audit was good which is that the system meets the control objectives and there	The audit checked that the College curriculum planning process ensures it is aligned with Regional priorities and takes sufficient cognisance of the need to deliver the College's share of the Region's target.

	were no recommendations.	
Internal Audit Report – Student Support Business Process Review	This audit was a business process review of the work delivered by the College's Student Advice Team. The scope of this audit was to carry out a review of the current procedures for the various stages of the student advice processes with a particular focus on the interaction between the Student Advice Team and Faculties. The review proposed a range of potential improvements for the College to consider and prioritise those to be implemented.	
Internal Audit Report – Estates Strategy/ Capital Projects/ Building Maintenance	The scope of this audit was to carry out a review of the strategic asset management arrangements in place at the College, and review and test the policies and procedures for the planning, control and monitoring of capital projects. The overall level of assurance of the internal audit was satisfactory with three priority 2 recommendations and five priority 3 recommendations.	
Internal Audit Report – Data Protection Review (Part 2)	This was a follow up internal audit on Data Protection to review the College's preparation for the General Data Protection Regulations (GDPR). The overall level of assurance in the report was satisfactory assurance with no specific recommendations.	
Internal Audit 2017/18 Plan Progress & 2018/19 Plan	This report provides the Committee with the progress against the 2017/18 internal audit plan and the summary of the 2018/19 internal audit plan.	
External Audit Planning Memorandum for 2017/18	This report provides the plan from Scott Moncrieff for the forthcoming external audit of the financial year 2017/18 which will be undertaken in October and reported to the Committee in November.	

Update on General Data Protection Regulation	This report was an update on progress on College preparations for GDPR. It indicated a general update and confirmed the appointment of a Data Protection Officer via the APUC shared service providing two days per week to the College. The report also indicates that Scott Moncrieff have completed the data flow mapping and data inventories for the key processes in the College involving personal data.	
Institutional Efficiency Return 2016/17	This report provides a copy of the College's institutional efficiency return for 2016/17 which was recently completed and sent to SFC. The College has achieved above the target 3% institutional efficiency as measured by this process.	
College Strategic Risk Register	This report provides the updated College Strategic Risk Register which is reported to each Audit Committee.	Note that the College Strategic Risk Register is reviewed at each Audit Committee.
National Fraud Initiative – 2017 Outcomes (paper for information and non-disclosable)	This report provides the approach adopted by the College in relation to the submission of data, investigation and response to the queries raised during the 2016/17 National Fraud Initiative (NFI). Following this process there were no instances of fraud to report.	
Section 22 Reports – Edinburgh College and New College Lanarkshire (paper for information)	This paper is for information and is the two recent section 22 reports with a covering paper to state how the College manages the items raised in these reports.	
Internal and External Audit Rolling Action Plan (paper for information)	This paper is the regular update report to Committee on implementation of previous internal and external audit recommendations.	Note the College's Audit Committee actively reviews previous audit recommendations and management ensure these are implemented.

College: City of Glasgow College
Date of Meeting – 18 May 2018

Topic of Discussion	Summary and Outcome of Discussion	Impact on GCRB (if any)
Data Protection Policy	Discussion of the new College Data Protection Policy which has been completely refreshed to comply with the new data protection (GDPR) legislation. This policy and associated procedures have been endorsed/approved by SMT. A new dedicated page has been created on the College website for Data Protection and all relevant information, including the policy, will sit on this page. The Committee noted that the new legislation key changes include: • more significant organisational fines and investigatory powers for the ICO; • requirement for organisations to more proactively inform individuals what they do with their personal data and how they look after it; • requirement to report data breaches within 48 hours; • new responsibilities for organisations managing personal data; and • improved rights for individuals in relation to their personal data. The Policy was approved.	Legislative compliance re GDPR enhanced.
Strategic Risk Review	Risk Register and Risk Management Action Plans reviewed, and various risk scores adjusted and agreed. In the light of mitigation/management strategies, the risk scores for two strategic risks were changed. (GDPR compliance risk score	Grant funding model requires agreement with CoGC.

	reduced, IT Security risk increased.). The risk relating to completion of new campus project was closed. One high scoring risk continues: "Failure to agree a sustainable model and level of grant funding within Glasgow Region".	
Freedom of Information Report	The report provided the Board, through the Audit Committee, with an update on the nature and volume of requests received in relation to the Freedom of Information (Scotland) Act 2002 (FOISA) and the Environmental Information (Scotland) Regulations 2004 (EIRs). Key points: • Volume of requests has risen significantly over the last three academic years (79 requests at April 2018, compared to 58 at Apr 2017). • The percentage of responses met within the specified 20-day timescale to date in 2017-18 is 93%. This represents an improvement on 2016-17 (90%) and 2015-16 (76%).	Consider region wide analysis of FOI activity?
Internal Audit Review Reports (3)	The following IA Reports were received and discussed, together with consideration and approval of management responses: • Student Engagement/ Students Association (Grade: Good) • Business Development/International Activities (Grade: Satisfactory) • Data Protection/Freedom of Information (Grade: Satisfactory) The Committee noted and agreed the management responses with associated actions and timescales.	

Internal Audit Progress Report	The Committee noted and discussed progress with the IA annual plan for 2017-18 which was considered satisfactory. It was noted that an IA of Business Continuity was postponed due to the External Review of Business Continuity which had recently been undertaken (report on agenda).	
Business Continuity: External Review and Report	The Committee with a report of an external review of Business Continuity Management at the College, undertaken in March 2018 by Ashton Resilience for the College's insurers, UMAL. The committee noted that The Business Continuity Plan (BCP) has been regularly updated, and utilised on five occasions since November 2017 in response to various emergency situations: loss of water; unattended package; loss of power; severe weather; and marine engine breakdown. In each case the BCP emergency response plan was found to be effective. The report found that the College had a "well-developed operational response to incidents, however there was a need for all departments "to develop, implement and maintain a functional recovery process". All elements of incident management are graded "Good" in the Report. However, the Business Recovery Plans, previously developed for the former College campus sites, have still to be developed for the new campuses. The high priority recommendations point to the need for a wide ranging business/service impact analysis for	Business continuity considerations across all Glasgow College locations?

	key college processes, including recovery time objectives, and recovery resources, dependencies and strategies for the restoration of College operations. The Committee agreed that SMT should consider and progress an appropriate action plan.	
External Audit Plan 2017-18	This report outlined the responsibilities of the Auditor and the College, the Audit Strategy, the approach to the audit of financial accounts, materiality, key audit risks, and the wider scope audit. The audit output, timetable and fees were discussed and agreed.	
Governance of Strategy Delivery	The Committee noted the Board committees responsible for monitoring the progress of the College's 5 supporting strategies, designed to deliver the College Strategic Plan 2017-25. This report has been approved by the Performance, Remuneration, and Nominations Committee, and provides assurance that the monitoring of key progress targets is undertaken by the Board and its Committees.	Ensures CoGC governance of strategic delivery.

College: Glasgow Kelvin College
Date of Meeting: 27 March 2018

Topic of Discussion	Summary and Outcome of Discussion	Impact on GCRB (if any)
Audit Fees	Committee continues to be concerned about the way in which Audit Scotland are seeking to manage the relatively high audit fee charged to Glasgow Kelvin College as a regional issue. Recent correspondence was considered which confirms Glasgow Kelvin College has the highest fee despite being the smallest of the three Glasgow Colleges. The Committee agreed that there was no basis for this reported in the External Audit Management Letter.	Note that this remains a contentious issue for Glasgow Kelvin College.
Internal Audit Reports	The Committee considered Internal Audit report in respect of: i) Springburn Campus Settlement; ii) GDPR; iii) Corporate Planning; and iv) Payroll. No material issues were raised by the Auditor and the Committee also reviewed the College's Audit Action Plan and noted good progress in addressing recommendations.	Note progress with Internal Audit programme for session 2017/18.
Risk Register	The Risk Register was reviewed in detail and it was noted that colleges would continue to be able to purchase commercial insurance as a mitigation of some risks. A slight improvement in the risk profile relating to financial security was noted. The Committee also considered the report on risk registers across the three Glasgow colleges prepared by GCRB.	For noting.
Institutional Efficiency	The Committee considered a report on progress against the Board's Value for Money Strategy for session 2016/17 and endorsed the response to the SFC call for information on	Note that Glasgow Kelvin College has reported on value for money and provided information on institutional

	institutional efficiency savings. The Committee noted excellent progress but cautioned that further savings relating to Estates rationalisation and voluntary severance could not be expected in future years.	efficiency. Total reported efficiency savings were in excess of £1.8m in 2016/17.
GDPR & Cyber Security	A detailed report on preparation for GDPR and progress towards Cyber Essentials accreditation was considered by the Committee.	Note College is preparing for GDPR and is addressing the recommendations of the Public Sector Cyber Resilience Strategy.
Other	The Committee considered reports on two complaints made to the SPSO which were not upheld, approved a minor change in accounting policy to harmonise capitalisation thresholds, reviewed the Governance Action Plan and Audit Scotland reports and Technical Bulletins.	Note harmonisation of capitalisation thresholds to help facilitate consolidation of accounts.