

A meeting of the Audit Committee will be held on Wednesday 28 May 2025 at 4.30pm, online

A G E N D A

25.18	Welcome and Apologies			L Paterson
25.19	Declarations of Interests			L Paterson

Minutes of Previous Meeting

25.20	Draft Minute of the Audit Committee meeting 5 March	P	D	L Paterson
25.21	Matters Arising – Action Grid	P	ND	L Paterson

Items for Discussion/Decision

25.22	Cyber Security Update	P	ND	S Bishop
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Systems of Internal Control

25.23	Internal Audit Reports as per plan	P	D	D Archibald / P Fee
25.24	Internal Audit 2024/25 Plan Progress	P	D	D Archibald / P Fee
25.25	Draft Internal Audit Plan for 2025/26**	P	D	D Archibald / P Fee
25.26	College Assurance Framework/Certificate of Assurance	P	D	N Macpherson
25.27	Appointment of the Internal Auditor (after item 25.37)**	P	ND	N Macpherson
25.28	Updated Global Internal Audit Standards Presentation			D Archibald

Financial Reporting

25.29	Fraud Investigation	P	ND	N Macpherson
25.30	External Auditor Annual Audit Plan 2024/25	P	D	L Duthie
25.31	Approval of Accounting Policies**	P	ND	P / Fee

Governance and Risk Management

25.32	Fraud Response Plan**	P	ND	N Macpherson
25.33	Strategic Risk Register**	P	ND	N Macpherson

Items for Information/Noting

25.34	Internal and External Audit Rolling Action Plan	P	ND	P Fee
25.35	SFC Update, if available	V		N Macpherson
25.36	ICT Sustainability Plan	P	ND	N Macpherson
25.37	Audit Committee Schedule of Work 2024/25	P	D	J Hunter
25.38	Board Diversity	P	ND	J Hunter
25.39	Any Other Business	V		L Paterson

Date of next meeting: 17 September 2025

** = Item for Approval

AUDIT COMMITTEE MEETING

Date of Meeting	28 May 2025
Paper Title	Internal Audit Reports: ▪ Building Maintenance, Estates Strategy and Capital Projects ▪ Fraud Prevention ▪ Payroll
Action	Information
Prepared by	Peter Fee (Assistant Principal Finance and Facilities)
Agenda Item	25.23
Status	Disclosable

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this paper is to submit to the Committee, for discussion, the following reports which have been produced by the College's Internal Auditors, Henderson Loggie:

- Building Maintenance, Estates Strategy and Capital Projects
- Fraud Prevention
- Corporate Governance

2. ACTION FOR THE COMMITTEE

- 2.1 Members of the Audit Committee are invited to discuss the attached reports.

3. BRIEF BACKGROUND INFORMATION

- 3.1 The Building Maintenance, Estates Strategy and Capital Projects internal audit report concludes that there is a good level of assurance in this area meaning that the system meets control objectives. There are no recommendations in the report and no material weaknesses were found.
- 3.2 The Fraud Prevention internal audit report concludes that there is a satisfactory level of assurance in this area meaning systems meet control objectives with some weaknesses present.
- 3.2.1 This review focused on the controls in place to mitigate the following risk on the Glasgow Clyde College ('the College') Strategic Risk Register as at March 2025: • RE4 - High Impact Business Continuity incident for College e.g. cyber-attack and / or insufficient investment in ICT infrastructure, pandemic, fire, long term power loss, power rationing (Residual Risk Score – 15, Red).
- 3.2.2 There are five minor weaknesses identified in the report which have a remedial action completion date of 5 July 2025. date and the COO and AP – Finance & Facilities are addressing, and processes / documentation will be updated accordingly.

- 3.3 Payroll Internal Audit Report concludes that there is a satisfactory level of assurance in this area meaning System meets control objectives with some weaknesses present.
- 3.3.1 This review focused on the controls in place to mitigate the following risks on the Glasgow Clyde College ('the College') Strategic Risk Register as at March 2025: • Risk RE13 – Failure to have data available to effectively inform operational and strategic decision making (residual risk score = 4, Green).
- 3.3.2 There is one minor weakness identified in the report which have a remedial action completion date of 31 August by the Head of People.

4. SUPPORTING DOCUMENTATION/FURTHER INFORMATION

- 4.1 The Internal Audit Reports are outlined in Annex No 25.23A, 25.23B and 25.23C

5. RISKS

- 5.1 There are no specific risk implications in this paper.

6. ANY OTHER SIGNIFICANT IMPACT e.g. STUDENT EXPERIENCE/LEGAL/ FINANCIAL/EQUALITY& DIVERSITY

- 6.1 The College is required to have an internal audit function undertaken each year as part of the Financial Memorandum.

Glasgow Clyde College

Building Maintenance / Estates Strategy / Capital Projects

Internal Audit report No: 2025/05

Draft issued: 2 May 2025

Final issued: 19 May 2025



Contents

	Page
Section 1	Management Summary
	• Overall Level of Assurance 1 • Risk Assessment 1 • Background 1 • Scope, Objectives and Overall Findings 2 • Audit Approach 2 • Summary of Main Findings 3 - 4 • Acknowledgements 4
Section 2	Main Findings and Action Plan 5 - 15

Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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



Management Summary

Overall Level of Assurance

Good	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 Clyde College ('the College') Strategic Risk Register (as at March 2025):

- RE11 - Failure to maintain and develop appropriate accessible, dynamic, flexible learning and social spaces which are fit for purpose for teaching and learning and staff working environment. (Residual Risk Score – 12, Amber);
- RE5 – Failure to achieve the College Climate Change Action Plan and carbon reduction targets including risk re: lack of availability of sufficient funding (Residual Risk Score – 9, Amber); and
- RE4 - High Impact Business Continuity incident for the College e.g. cyber-attack and / or insufficient investment in ICT infrastructure, pandemic, fire, long term power loss, power rationing (Residual Risk Score – 15, Red).

Background

As part of the Internal Audit programme at the College for 2024/25 we carried out a review of the systems in place for Building Maintenance / Estates Strategy / Capital Projects. The Audit Needs Assessment, agreed with management and the Audit Committee, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to management and the Audit Committee that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

A 'Capital Masterplan' is in place at the College which defines the capital projects scheduled to be undertaken in each financial year. The plan is developed using the information from existing condition surveys and any reactive works which are identified as being required across the College's three campuses. The current Masterplan at the time of our audit detailed the projects undertaken in 2024/25 and the works scheduled for 2025/26.

Oversight of the College's Capital Projects is undertaken by the College's Board of Management, via the Finance and Resources Committee. Operational oversight of the projects and ownership of the 'Capital Masterplan' is undertaken by the College's Assistant Principal Finance and Facilities, supported by the Head of Estates, Facilities and Energy Management. Day to day maintenance of the College's buildings and assets is overseen by the Head of Estates, Facilities and Energy Management and the Facilities Manager, who manage and monitor the completion of the works in place by the relevant contractors.

Capital projects are monitored to ensure timely completion; quality of works completed; and adherence to agreed cost parameters, by the Head of Estates, Facilities and Energy Management. In addition, all purchase requisitions and invoices are reviewed and approved within the College's Scheme of Delegated Authority. Any potential overspends can therefore be identified and rectified / mitigated prior to the end of the contract.

The College has a comprehensive planned and cyclical maintenance programme in place which helps ensure the assets fulfil their useful life, whilst also maintaining compliance with the relevant regulations and legislation.

Scope, Objectives and Overall Findings

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

Objective	Findings				
The objective of our audit was to obtain reasonable assurance that:		1	2	3	Actions already planned
		No. of Agreed Actions			
1. An Estates Strategy is in place which is aligned with the College’s Strategic Plan objectives and other strategies, Regional plans and strategy, and student needs and aspirations.	Good	-	-	-	✓
2. The capital investment appraisal process, including the information provided to the Board of Management and committees for decision making purposes, is robust.	Good	-	-	-	
3. Risk management and contingency planning arrangements are in place for capital.	Good	-	-	-	✓
4. The selection and management of consultants and contractors, including the tendering process, is conducted in line with the College’s procurement procedures.	Good	-	-	-	
5. Progress made on projects, and expenditure against budget, is monitored by management and Board committees.	Good	-	-	-	
6. Regular condition surveys are undertaken, and other good quality information is available, to inform asset management decisions.	Good	-	-	-	✓
7. Plans are in place to keep the College’s assets in good condition as economically as possible and meet changing and rising standards as far as they can be foreseen.	Good	-	-	-	
8. There is a comprehensive cyclical testing and maintenance programme that covers all items requiring regular testing or maintenance under the relevant legal and regulatory framework.	Good	-	-	-	
Overall Level of Assurance	Good	-	-	-	
		System meets control objectives.			

Audit Approach

We reviewed relevant documentation including strategies, plans, policies, procedures, management information, minutes, option appraisal documents, bids for funding etc. relating to asset management and the College's capital projects and discussed the approach adopted with the Assistant Principal Finance and Facilities, Head of Estates, Facilities and Energy Management and Procurement Manager. We then considered whether the College's approach to strategic asset management, and the policies and procedures in place for the planning, control and monitoring of capital projects accord with good practice.

On a sample basis, we tested compliance with the College's policies and procedures for the planning, control and monitoring of capital projects.

Summary of Main Findings

Strengths

- An Estates and Sustainability Strategy is in place for the period 2021-2025 detailing the College's goals and objectives.
- A Capital Masterplan is in place which details the capital works to be undertaken across the financial year.
- The College's Strategic Plan 2022 – 2025 details the need to achieve its financial plan to maximise its people and physical resources.
- An appraisal process for all capital projects is in place to ensure that works provide adequate benefits to students and minimise disruption to learning.
- Capital projects are discussed by the Senior Leadership Team (SLT) to ensure these are prioritised in line with the College's needs.
- Detailed risk registers are in place for large projects, detailing key risks such as finance, operational disruption, disruption to teaching, and health and safety.
- Estates related risks are documented on the College-wide Strategic Risk Register.
- All purchase requisitions and invoices are monitored and approved by a member of staff with appropriate authority through the College's finance system.
- Collaborations are in place for projects with other colleges with a view to making cost savings.
- The costs incurred throughout a contract are monitored through cost trackers showing costs to date against the total contract amount.
- Regular monitoring of capital project progress and spend is undertaken by the Head of Estates, Facilities and Energy Management.
- Condition surveys were undertaken in 2021 covering all three campuses in detail.
- The actions arising from the condition surveys were prioritised by College management and addressed in line with this.
- Comprehensive planned and cyclical maintenance programmes are in place to ensure the College's assets are in an adequate condition.
- Completion of maintenance works is managed and monitored through contractor portals, which provide live information for review by the College's Estates staff.
- From inspection of a sample of planned preventative maintenance (PPM) works completed at the College, it was noted that these were completed in line with the agreed schedule.

Summary of Main Findings (Continued)

Actions In Progress

- The College's Estates and Sustainability Strategy will be refreshed at the end of the 2025 calendar year, which will reflect the current landscape in which the College operates and the capital plans in place.
- For any new projects in 2025 onwards, it was noted that the Estates team will prepare risk registers for all projects regardless of their value, to ensure that all operational and strategic risks are sufficiently identified and addressed prior to works commencing.
- It was noted from discussions with the Assistant Principal Finance and Facilities that the College will give consideration to undertaking condition surveys at the end of 2025 to coincide with the development of the new Estates and Sustainability Strategy, pending approval from the relevant Committees.

Acknowledgments

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

Main Findings and Action Plan

Objective 1 – An Estates Strategy is in place, which is aligned with the College’s Strategic Plan objectives and other strategies, Regional plans and strategy, and student needs and aspirations.

Estates and Sustainability Strategy

The College has an Estates and Sustainability Strategy for the period 2021 to 2025, with the following purpose documented:

- Have suitable, fit-for-purpose accommodation which is compliant with all relevant legislation;
- Maintain and enhance the learner experience;
- Minimise the impact the College and its activities have on the environment including the College’s carbon footprint;
- Utilise available space efficiently;
- Identify the need for any rationalisation or reorganisation of space;
- Ensure the value of the estate is maintained; and
- Consider existing or alternative uses of the estate and identify opportunities for innovation and collaboration to meet future needs.

The Strategy also provides key areas for development for the College’s estate, which were used to direct the focus of the College’s estates and maintenance plans across the five-year period. With the Strategy due for renewal at the end of 2025, it was noted from discussions with the Assistant Principal Finance and Facilities, that the new Strategy will focus on similar areas, however, taking into account the changes in the economic landscape since 2021. As such, an action in progress has been noted. From inspection of the Strategy document, the following key areas of focus were identified:

- Estates Lifecycle and Maintenance;
- Estates Development;
- Curriculum Developments;
- Efficiency and Effectiveness of Estate;
- Sustainability; and
- Climate Change.



Objective 1 – An Estates Strategy is in place, which is aligned with the College’s Strategic Plan objectives and other strategies, Regional plans and strategy, and student needs and aspirations (continued).

Glasgow Colleges Regional Board (GCRB) and Student Needs and Aspirations

The Scottish Funding Council has introduced a revised approach to assurance and accountability, the Outcomes Framework and Assurance Model and the most recent Glasgow Regional Outcome Agreement relates to 2023/24. It was noted from inspection of this document that little reference is made to estates or facilities within the colleges. However, it was noted that as part of the focus on digital transformation, the College is expected to take steps to ensure that it provides the “*most effective, high quality learning environments, both physically and digitally*”. In line with this expectation, the College’s Estates team appraises each capital project for financial and operational feasibility, with additional consideration given to operational disruption. This includes assessing the impact on learning environments surrounding works areas, as well as disruption to the use of key facilities during the teaching calendar.

From our review of the 2024 GCRB Regional Strategic Plan it was identified that a priority of ‘Strategic Goal 2’ – ‘The Glasgow college system is sustainable, responsive and coherent’, was to ‘*Maximise the use of the Glasgow college estate while planning for the future – across physical and digital infrastructure*’. In line with this regional priority, the College’s Capital Masterplan includes campus improvement works for areas such as disabled access, religious practices, and cosmetic works in the future. It is recognised that GCRB will be dissolved by the start of academic year 2025/26 and, from discussions with the Assistant Principal Finance and Facilities and the Head of Estates, Facilities and Energy Management, it is planned that the College will continue to engage with the other two Glasgow colleges around estates planning post-GCRB.

Objective 2 – The capital investment appraisal process, including the information provided to the Board of Management and committees for decision making purposes is robust.

Through our discussions with the Assistant Principal Finance and Facilities, it was noted that all works are appraised, with a variety of options prepared for each project, including both repairs and full replacements. Collectively, the College's Senior Leadership Team (SLT) reviews the options along with the appropriate evidence, and recommendations are provided by the Assistant Principal Finance and Facilities. The final decision is ultimately made by the SLT or the College's Board based on the information provided. A formal procedure document is in place to define the capital revenue and investment appraisal process to be undertaken, with a capital and revenue funding request form also in place.

All projects are initially discussed between the Assistant Principal Finance and Facilities and the Chief Operating Officer. These then focus the College's attention on certain areas, with group discussions between Estates and Finance to empower everyone to provide their opinion. The Chief Operating Officer discusses presentations to the Board with the Head of Estates, Facilities and Energy Management and the Facilities Manager to ensure they capture all the relevant information to allow for sufficient decision making. This then provides some challenge from SLT, especially if the changes are around classrooms.

From discussions with the Head of Estates, Facilities and Energy Management, it was established that in recent years, major reactive works have impacted the planning process at the College, as capital works which would have been desirable, have been shelved to address emerging health and safety issues. An example of this, and the subsequent appraisal process, was an issue identified with the roof at the Langside Campus which showed signs of corrosion. So, instead of minor repairs or a full replacement, the College took the decision to coat the roof with a specialised paint to increase its useful life.

It was also noted that Reinforced Autoclaved Aerated Concrete (RAAC) was identified in the roof of the Cardonald Campus. As it was above the student sports area, the impact on the student learning experience had to be considered as any remedial works would significantly impact on the sports facility availability. Restricted access to changing rooms was identified during the appraisal as being an additional challenge and therefore the College considered addressing the issue in two stages to prevent full closure of the facilities. Works were then established to address the issue above the changing facilities, with the full sports hall to be addressed at a later date. From inspection of the RAAC capital project appraisal, it was established that undertaking the major works during the teaching year would result in physical classes being unable to use the gym facilities, and this was therefore deemed too disruptive to learning and teaching as part of the appraisal process.

Objective 3 – Risk management and contingency planning arrangements are in place for capital projects.

Through discussions with the Head of Estates, Facilities and Energy Management, it was noted that all projects are appraised with a view to long-term changes at the College. As such, when preparing a business case for the capital projects, particularly where these concern changes to teaching spaces, consideration is given to the complexity of amending the space for different disciplines in the event of a decrease in demand.

From inspection of the RAAC capital projects file, it was noted that a risk register was developed detailing all the key risks relative to the RAAC works. This included areas such as operational disruption, disruption to learning and teaching, procurement, health and safety and availability of required materials. These risks were assigned priority levels based on the potential impact and the probability of occurrence. Owners were assigned to each of the risks to help ensure these were suitably managed throughout the project.

The Head of Estates, Facilities and Energy Management noted that the risk register for the RAAC project was more important due to the complexity of the works and the level of disruption to the students. By documenting the risks, this allowed the College to undertake the project with these in mind, to minimise the disruption to the College's operations. Risk registers are prepared for other large projects, with the relevant areas identified and the necessary controls put in place prior to the commencement of any works, with this overseen by the Head of Estates, Facilities and Energy Management.

From discussions with the Assistant Principal Finance and Facilities and the Head of Estates, Facilities and Energy Management, it was noted that for any new projects initiated from 1 January 2025 onwards, the Estates team will prepare risk registers for all projects regardless of their value. This will help ensure that all operational and strategic risks are sufficiently identified and addressed prior to works commencing. An action in progress has therefore been noted.

Out with the project risk registers, it was noted that the Estates team documents its key risks on the College's Strategic Risk Register, which includes the estates related risks documented at the front of this report.

Objective 4 – The selection and management of consultants and contractors, including the tendering process, is conducted in line with the College's procurement procedures.

The College has a Procurement Policy in place, which sets out the purpose and aims of the procurement function, key principles for procurement, and responsibilities of staff for procurement. The Policy was most recently reviewed in February 2024 and from our review was found to be comprehensive, up-to-date and in line with the Act and the Regulations. A separate audit of Procurement and Creditors / Purchasing was carried out as part of the internal audit programme for 2023/24 (refer report 2024/02 issued February 2024) and the overall level of assurance was noted to be Good - 'system meets control objectives.'

From discussions with the Procurement Manager, it was noted that the following processes are in place.

All Procurement exercises are undertaken in conjunction with the College's Procurement function, who assist the contract manager in obtaining quotes from suitable contractors and / or undertaking full regulated procurement exercises through Public Contracts Scotland (PCS). Additionally, it was noted that all requisitions are raised within the College's TechOne finance system, with the PECOS Purchase to Pay system fully integrated into this. When a staff member wishes to make a PECOS order, they can initiate this using the TechOne interface which then crosses over into PECOS.

Through our discussions with the Procurement Manager, it was noted that the College recently undertook an open tender exercise for a mechanical and electrical planned preventative maintenance (PPM) contract. This exercise was undertaken in collaboration with Glasgow Kelvin College and West College Scotland utilising the national framework. The benefit of this approach was identified as being significant cost savings arising through economies of scale, which were generated through the collaboration with the other two colleges. The total for the contract is c.£165k across the four-year term.

When assessing the bids from tendering businesses, the Procurement team assess the commercial aspect, with the Estates team undertaking the technical evaluation. The staff undertake the evaluations individually and then meet to establish a consensus of the evaluations from each person, with the Procurement team reviewing the costs of the project. It was highlighted that the results of the commercial assessment are not informed to the Estates team. The Procurement team then compile the information and prepare a recommendation report. This report is then submitted to the Chief Operating Officer for projects up to £50k, the Principal up to £500k, and finally the College's Board for any projects above this.

Through discussions with the Procurement Manager, it was noted that the documentation for the procurement exercises for all the College's contractors is held in dedicated folders within the Procurement team's shared drive.

Objective 4 – The selection and management of consultants and contractors, including the tendering process, is conducted in line with the College's procurement procedures (continued).

Sample Testing

To evaluate the procurement exercises completed for the contractors / contracts in place at the College, a sample of eight projects was selected from the Capital Masterplan and related documentation was obtained to establish whether these exercises were undertaken in line with the College's Procurement Policy and procedures and the Procurement Regulations. From this testing it was noted that the procurement exercises for seven of the eight projects sampled were carried out in line with the College's Procurement Policy, and the necessary regulations to which the College is required to comply. For the remaining project, it was established that the works were to be carried out as an extension of an existing contract and therefore there was no requirement for a new standalone procurement exercise.



Objective 5 – Progress made on projects, and expenditure against budget, is monitored by management and Board committees.

At the point of the contract award the Estates team, the SLT and the Procurement team have sight of the contract value for the agreed works across the agreed period of time. All purchase orders are recorded on the College's finance system, with the total contract value for capital projects also recorded on the system. The agreed invoicing for each completed phase of works is usually also agreed in advance. As such, the College's consultants, Doig & Smith (or for routine works, the Head of Estates, Facilities and Energy Management), are provided with the phase completion expectations, and receive the invoices from the contractor and review this against the pre-agreed progress. The College then discusses the payment process with Doig & Smith and the contractor to confirm where the progress sits against the spend. The College's capex sum is fixed based on the term of the contract and, as such, the Head of Estates, Facilities and Energy Management monitors all projects to ensure they break even or underspend on the project.

The College receives regular cost trackers from its consultant for managed contracts, and the Head of Estates, Facilities and Energy Management reviews any extra works which have been included in the phase of works. Any issues are flagged directly to the Assistant Principal Finance and Facilities, and the Chief Operating Officer. For routine works, the Head of Estates, Facilities and Energy Management monitors the spend against the agreed terms of the contract via spreadsheets and raises any issues directly with the contractor. All invoices are then queried against the interim payment certificate, with these then processed for payment only once they are approved.

Spend is also monitored against the contract by the Procurement team on a quarterly basis. All requisitions, purchase orders and payments are recorded on the College's finance system and, as such, these are monitored centrally by the Procurement team. All contracts are also recorded on the College's contracts system, Hunter, for reference to specific terms. The Procurement team reviews the incoming invoices and the contract spend against these terms as an extra layer of control.

For reporting purposes, one to one meetings are held between the Assistant Principal Finance and Facilities and the Head of Estates, Facilities and Energy Management weekly. These provide an early opportunity to highlight any issues with capex spend and any issues with progress on the projects. Monthly capex roundups are also in place which are chaired by the Project Manager at Doig & Smith where the large contracts are discussed. These allow College staff and the consultants to talk through projects in detail. These discussions are then documented and any actions formally recorded for monitoring.

Reports are presented quarterly to the Finance and Resources Committee by the Assistant Principal Finance and Facilities, with ongoing capital projects and their progress fully documented. Any changes / overspends are then discussed with members of the SLT and the College's Finance and Resources Committee .

Objective 6 – Regular condition surveys are undertaken, and other good quality information is available, to inform asset management decisions.

Through discussions with the Head of Estates, Facilities and Energy Management, it was established that condition surveys were undertaken in 2021 by The Oakleaf Group across the three campuses. These surveys acted as a guide in determining the focus for future capital spend. The information gathered from these surveys feeds into the College's Capital Masterplan, along with operational matters being considered, such as departments with increased student numbers who require a larger space. The Assistant Principal Finance and Facilities then takes the information gathered through these various routes to SLT, together with the proposed programme of capital works, to ensure consideration of any emerging issues.

Condition survey reports also provide the further context on the long-term needs of the College's estate, as the useful life of key assets is documented for all three campuses. Reporting is generated from this which the College is required to submit to the GCRB as part of the regular returns that the College makes.

From inspection of the condition surveys for the three campuses, it was established that inspections of all physical aspects of the campuses were made. Ratings of A – D were assigned to each area ("A" being new condition and "D" being irreparable). Priorities were then assigned to each of the works required, based on the immediate needs ("1" being urgent and "4" being long term aspirational works).

Cardonald Campus

From our inspection of the Cardonald condition survey, it was noted that the physical building and its structure were assessed, as well as the internal mechanical side and the electrics (this was the same for all campuses). From this, c. £4.68m of works were identified as being required. The breakdown of works was identified as being:

- £60k Priority 1;
- £1.32m Priority 2;
- £2.65m Priority 3; and
- £644k Priority 4.

The Priority 1 works included replacement of doors, access to the roof and water ingress across the building. From discussions with the Head of Estates, Facilities and Energy Management it was noted that the required works have now been completed.

Langside Campus

From our inspection of the Langside condition survey, it was noted that c. £1.99m of works were identified as being required. The breakdown of works were identified as being:

- £0 Priority 1;
- £313k Priority 2;
- £1.29m Priority 3; and
- £388k Priority 4.

As there were no Priority 1 works, the focus was identified as being Priority 2 works, the majority of which have been completed.



Objective 6 – Regular condition surveys are undertaken, and other good quality information is available, to inform asset management decisions (continued).

Anniesland Campus

From our inspection of the Anniesland condition survey, it was noted that c. £3.23m of works were identified as being required. The works were identified as being:

- £0 Priority 1;
- £145k Priority 2;
- £2.39m Priority 3; and
- £692k Priority 4.

As there was no Priority 1 works, the focus was identified as being Priority 2 works, the majority of which have been completed.

It was highlighted in our discussions with the Assistant Principal Finance and Facilities, that the College will give consideration to undertaking condition surveys at the end of 2025 to coincide with the development of the new Estates and Sustainability Strategy, pending approval from the relevant Committees. An action in progress has therefore been noted.



Objective 7 – Plans are in place to keep the College's assets in good condition as economically as possible and meet changing and rising standards as far as they can be foreseen.

The College has a comprehensive planned maintenance programme in place, which is overseen by the Head of Estates, Facilities and Energy Management, supported by the Facilities Manager. The assets across the College's estate are documented on an asset register. The condition of each of the assets was last assessed in 2021 from the comprehensive condition surveys. Useful life periods were assigned to each of the assets, with the number of years for which these will be fit for purpose documented. This is incorporated into the College's Capital Masterplan, which is updated on a quarterly basis following review by the Assistant Principal Finance and Facilities and the Head of Estates, Facilities and Energy Management.

Contractors are in place for the delivery of all planned maintenance across the College's estate. It was highlighted however that there is a small team of in-house staff responsible for ad-hoc maintenance tasks. These tasks do not include works related to gas, fire and electrical, however these staff can flag any symptoms arising from faulty / broken assets, which can then be passed to the contractors for reactive works.

From inspection of the Capital Masterplan, which was submitted to the College's Finance and Resources Committee in March 2025, it was identified that the College listed the 2024/25 works to be undertaken, with the majority of these works now completed. Any remaining works from 2024/25 have been recorded as being carried forward to 2025/26.

In addition to the completed / partially completed works included in the Capital Masterplan, which was submitted to the Finance and Resources Committee in March 2025, the future projects to be undertaken based on the Condition Survey Reports for each of the College's buildings have also been recorded.

From our review of the Capital Masterplan submitted to the Finance and Resources Committee in December 2024, it was noted that the plan changed in March 2025 to take into account the recent findings from the RAAC inspections undertaken and the Anniesland rendering works identified as being required. The plan was subsequently updated to reflect this, demonstrating that the plan is an iterative document, which has the flexibility to be adjusted to reflect the needs of the College at the time of it being reported.

Objective 8 – There is a comprehensive cyclical testing and maintenance programme that covers all items requiring regular testing or maintenance under the relevant legal and regulatory framework.

Discussions were held with the Head of Estates, Facilities and Energy Management, and it was established that the PPM schedules are prepared by the Estates team and are uploaded into the respective contractor portals at the beginning of each year. The relevant contractors then record the completion of each of the works and upload the documentation to the portal. The Head of Estates, Facilities and Energy Management and the Facilities Manager monitor the portal daily to identify progress against each of the agreed PPM schedules. Each of the portals provide summary progress reports on the dashboards, which are reviewed by the Estates team, with any overdue works raised with the contractor for explanation.

Individual portals are in place for the recording of the Electrical Installation Condition Reports, Gas / SFG20 PPMs (the industry standard for building maintenance specification), Water Hygiene, Portable Appliance Testing, Fire Systems and Lift Maintenance, which are monitored regularly. Monthly meetings are held between the Head of Estates, Facilities and Energy Management and the contractors to monitor progress against the agreed works. From these discussions, any issues with progress are raised with actions agreed to improve this. Where works are being completed in line with expectations, the College recognises this to help ensure this remains the same.

In order to establish the accuracy of the records maintained by the College, copies of the portal summary pages and PPM schedules were obtained for a sample of the PPM types. A sample of completed PPMs was then selected and the completed job forms / certificates obtained and inspected against the data held in the portals. From inspection of the sample, the following was noted:

- All works were scheduled and monitored to completion through the respective contractor portals;
- Detailed reports were provided for each set of works, with actions raised from any issues identified passed to the College for resolution;
- At the time of the review being undertaken, the reports inspected were valid against the regulatory / legislative timeframes by which they must be completed; and
- Where relevant, the works were completed in line with the SFG20 Standard.

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Glasgow Clyde College

Fraud Prevention, Detection and Response

Internal Audit report No: 2025/06

Draft issued: 14 May 2025

Final issued: 19 May 2025



Contents

	Page
Section 1 Management Summary	
• Overall Level of Assurance	1
• Risk Assessment	1
• Background	1
• Scope, Objectives and Overall Findings	2
• Audit Approach	2
• Summary of Main Findings	3
• Acknowledgements	3
 Section 2 Main Findings and Action Plan	 4 - 10

Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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



Management Summary

Overall Level of Assurance

Satisfactory

System meets control objectives with some weaknesses present.

Risk Assessment

This review focused on the controls in place to mitigate the following risk on the Glasgow Clyde College ('the College') Strategic Risk Register as at March 2025:

- RE4 - High Impact Business Continuity incident for College e.g. cyber-attack and / or insufficient investment in ICT infrastructure, pandemic, fire, long term power loss, power rationing (Residual Risk Score – 15, Red).

Background

As part of the Internal Audit programme at the College for 2024/25 we carried out a review of the systems in place for Fraud Prevention, Detection and Response. The Audit Needs Assessment, agreed with management and the Audit Committee, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to management and the Audit Committee that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Responsibility for ensuring the College has effective processes in place for the prevention and detection of fraud and ensuring there is an adequate response, ultimately rests with the College's Board of Management. Operational responsibility sits with the College's Senior Leadership Team (SLT), and in particular, the Chief Operating Officer (COO) and the Assistant Principal Finance and Facilities.

The College has a Financial Fraud Response Plan in place, which documents the processes in place for reporting any instances of fraud identified. This document is managed by the COO. The College also has an Anti-Bribery, Fraud and Corruption Policy and an Unethical Behaviour and Whistleblowing Policy in place.

The College's COO and the Assistant Principal Finance and Facilities both sit as part of the Finance Director Group within the College Development Network (CDN) which meets on a monthly basis, and includes updates around fraud risks and prevalent issues within the sector. Relevant issues can then be shared by the SLT members and the wider College to help ensure they are sufficiently aware of the risks and the measures in place.

Scope, Objectives and Overall Findings

The scope of this audit was to carry out a high-level review of the systems in place within the corporate-wide anti-fraud framework to identify and respond to emerging fraud risks

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

Objective	Findings				
The objective of our audit was to ensure that:		1	2	3	Actions already planned
		No. of Agreed Actions			
1. Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis.	Satisfactory	-	-	5	✓
Overall Level of Assurance	Satisfactory	-	-	5	
		System meets control objectives with some weaknesses present.			

Audit Approach

Through discussions with the COO, and review of documentation, we established the systems in place within the College to identify and respond to emerging fraud risks. These were then evaluated to establish if they are in accordance best practice.

Summary of Main Findings

Strengths

- The College has a Financial Fraud Response Plan in place.
- An Anti-Bribery, Fraud and Corruption Policy is in place which is accessible via the intranet.
- An Unethical Behaviour and Whistleblowing Policy and Financial Regulations are in place which are accessible via the intranet.
- The College's COO and Assistant Principal Finance and Facilities sit on the CDN Finance Director Group.
- Key risks related to business continuity incidents, including cyber fraud, are recorded on the College's risk register.
- Prevalent risks related to financial frauds to which the College may be susceptible are included in an annual report provided to the COO by the College's insurance broker.
- Mandatory induction training is in place at the College which includes Anti-Bribery and Corruption and Cyber Security.

Actions In Progress

- At the time of this audit, the COO was undertaking a review of the Delegation of Authority document with the Assistant Principal Finance and Facilities to ensure the limits are reflective of the individual job roles. The Clerk to the Board was in the process of updating this document to address the points raised.
- The College's Anti-Bribery, Fraud and Corruption Policy was in the process of being updated at the time of this audit being undertaken.

Weaknesses

- It was noted that the College's Financial Fraud Response Plan requires staff to report cases of fraud directly to the COO. It was also noted however that staff across the College are not provided with a copy of the Plan at the time of joining the College or again thereafter and this document is not accessible via the intranet.
- With the exception of cyber security training, which captures cyber related fraud risks, it was noted that there is currently no refresher training provided to senior management and staff covering the key risks relating to the prevention, detection, and reporting of fraud. It was highlighted that this poses an additional risk to the College due to it retaining a significant number of long-standing staff.
- It was noted from discussions with the COO, that there would be benefit in senior management receiving a regular update on the effectiveness of fraud controls in place, including a summary on any instances of fraud or irregularity identified.
- It was noted from review of the Financial Fraud Response Plan that there is no clearly defined threshold above which a full investigation would be initiated as detailed in the Plan. For a suspected fraud or irregularity of a low value, there may be no need for the process set out in the Plan to be followed in full, however there is currently no account taken of the value of the loss.
- It was noted from discussions with the COO that the College's Board of Management has not undertaken any recent fraud awareness training.

Acknowledgments

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

Main Findings and Action Plan

Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis.

Financial Fraud Response Plan

It was established that the College has a College Wide Financial Fraud Response Plan, which details the measures in place for reacting to a fraud. The document notes the Chief Operating Officer (COO) as being the direct report for any instances of fraud / suspected fraud at the College.

The Financial Fraud Response Plan notes that in the event of a fraud being identified, a group is required to be convened, headed up by the COO and involving the necessary parties to prepare a response.

Anti-Bribery Fraud and Corruption Policy

The College has an Anti-Bribery, Fraud and Corruption Policy in place, the most recent version of which was in draft at the time of this review. The Policy defines the Board of Management's responsibilities for ensuring adequate accountability is in place 'to protect against bribery, fraud and corruption within the College and from external sources.' Regarding fraud specifically, the Policy notes the following key elements as being required:

- adequate preventative measures systems and procedures, which incorporate internal controls, including adequate separation of duties to ensure that, as far as possible, errors, fraud and corruption are prevented;
- systems for detection and investigation, including policy guidance and the Fraud Response Plan;
- understanding and awareness within the College of the College's agreed policies and procedures e.g. Financial Regulations;
- fraud prevention training to relevant staff;
- an open, honest and transparent culture; and
- the adoption of a quarterly declaration by Management confirming no known frauds.

The Policy also notes that in any instances of fraud being identified, the staff member(s) responsible will be subject to the relevant disciplinary procedures. It also notes, however, that these may also be brought against their manager(s) where they have been found to be negligent in identifying or preventing the fraud.

Unethical Behaviour and Whistleblowing Policy

In 2022 the College updated the Unethical Behaviour and Whistleblowing Policy, which records the Board of Management's responsibility for ensuring that sufficient measures are in place at the College for staff to report any suspicions of unethical or illegal behaviour. In particular, this Policy makes specific reference to fraud in that the Board's responsibilities include:

- encourage members and employees to raise any concerns they have about fraud and corruption immediately they occur; and
- ensure that the risk of fraud and corruption is minimised.

The above policies are accessible to all staff via the College's intranet site and updates are communicated to staff via email as and when these take place.

Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis (continued).

From our discussions with the COO, it was noted that the finance related processes are the responsibility of the Assistant Principal Finance and Facilities, who oversees both the Finance team and the Procurement team within the College. Both the COO and the Assistant Principal Finance and Facilities are relatively new to their respective roles at the College and, as such, have been reviewing the existing documentation in their areas since joining the College to ensure they are satisfied with the measures in place. As part of this work, the COO has proposed an amendment to the frequency of review for the Anti Bribery, Fraud and Corruption Policy, as this was previously set at a review frequency of five years, and therefore could be outdated relatively quickly in terms of emerging fraud risks. It was noted that the Anti Bribery, Fraud and Corruption Policy was under review at the time of our audit fieldwork, with the COO proposing that the Policy be reviewed annually going forward.

Training

It was noted that there is no specific training provided to the Senior Leadership Team (SLT) or Board of Management around fraud prevention and detection. However, the expertise which the COO, Assistant Principal Finance and Facilities and other key staff bring from their previous roles provides them with a sufficient understanding of the risks at the College which are required to be effectively managed. It was also highlighted that as part of the College's mandatory training programme, staff are required to undertake Anti-Bribery and Corruption, Money Laundering and Cyber Security training, which includes fraud prevention and detection. This is included in the mandatory training packs at staff inductions. It was noted, however, that only the Cyber security training includes a regular refresher. Where specific risks exist, in areas such as procurement, the process owners have undertaken independent fraud specific training to ensure they have a sufficient understanding of the risks in place.

Other Key Processes

A Delegation of Authority document is in place, which stipulates that staff cannot process and approve purchase orders and invoices with a value above their delegated expenditure limit. There is therefore a review hierarchy for the processing and payment of any suppliers / contractors, which helps to prevent any unauthorised works / services being paid for by the College. It was highlighted from our discussions that, at the time of this audit, the COO was undertaking a review of the Delegation of Authority document with the Assistant Principal Finance and Facilities to ensure that the limits are reflective of the individual job roles. The Clerk to the Board at the College was in the process of updating this document to address the points raised. An action in progress has therefore been noted.

The COO and the Assistant Principal Finance and Facilities attend the monthly Finance Director Group meetings held by the College Development Network (CDN), from which learnings can be taken regarding the prevalent fraud risks within the College sector. It was noted that since the COO has been in post, there has been nothing fraud specific raised from these meetings, however, as and when this does happen, this will be communicated to the relevant staff at the College via a memo or through formal training.

Insurance arrangements were updated following the arrival of the COO and Assistant Principal Finance and Facilities, to incorporate cyber security risks. The College worked with the appointed insurance broker to implement measures to protect the College from the potential damages arising from cyber threats. An annual update is also provided by the broker to the College detailing the prevalent issues and what to look out for in relation to emerging fraud threats. This is reviewed by the COO and Assistant Principal Finance and Facilities who then share with relevant departments / staff.

Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis (continued).

Observation	Risk	Recommendation	Management Response	
From our discussions with the COO and review of the College's Financial Fraud Response Plan, it was noted that the College requires staff to report cases of fraud directly to the COO. Following a cash theft occurring at a College campus, and a subsequent internal investigation, it was noted however that staff across the College are not provided with a copy of the Financial Fraud Response Plan at the time they are employed by the College or at any point once they are in their role and this document is not accessible via the intranet.	There is a risk that the chain of reporting is not clearly understood by staff across the College.	R1 – It is recommended that the Financial Fraud Response Plan is communicated to all staff across the College on appointment and annually once they are in role (we would suggest timing the distribution of this information to coincide with International Fraud Awareness week in November).	Recommendation accepted. To be actioned by: AP Finance & Facilities No later than: 31 July 2025	
			Grade	3



Fraud Prevention, Detection and Response

Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis (continued).

Observation	Risk	Recommendation	Management Response
It was noted that with the exception of cyber security training, which captures cyber related fraud risks, there is currently no refresher training provided to senior management and staff covering the key risks relating to the prevention, detection and reporting of fraud. It was highlighted that this poses an additional risk to the College due to the College retaining a significant number of long-standing staff.	There is a risk that staff are not aware of the processes in place at the College for preventing, identifying and reporting fraud.	R2 – It is recommended that fraud refresher training be provided on a periodic basis to senior management and staff, to address non-cyber fraud risks.	Recommendation accepted. To be actioned by: AP Finance & Facilities No later than: 31 July 2025
			Grade 3



Fraud Prevention, Detection and Response

Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis (continued).

Observation	Risk	Recommendation	Management Response
It was noted from discussions with the COO, that there would be benefit in senior management receiving a regular update on the effectiveness of fraud controls in place, including a summary on any instances of fraud or irregularity identified.	There is a risk that the College's management do not currently have sufficient sight of the effectiveness of the controls in place for preventing and detecting fraud.	R3 – It is recommended that the College gives consideration to the implementation of regular updates / bulletins from the Finance team to the COO and Assistant Principal Finance and Facilities confirming that there have been no instances of fraud identified in the period. This should also include an update on the effectiveness of the controls in place i.e. the number of attempted frauds identified and prevented in the period.	Recommendation accepted. To be actioned by: AP Finance & Facilities No later than: 31 July 2025
			Grade 3



Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis (continued).

Observation	Risk	Recommendation	Management Response	
It was noted from review of the Financial Fraud Response Plan that there is no clearly defined threshold above which a full investigation would be initiated as detailed in the Plan. For a suspected fraud or irregularity of a low value, there may be no value in the process set out in the Plan being followed in full. However, there is currently no account taken of the value of the loss within the Financial Fraud Response Plan.	The Financial Fraud Response Plan is not clear in directing management in instances of low value fraud being identified, resulting in disproportionate time and resources being utilised to investigate a minor loss to the College.	R4 – It is recommended that the Financial Fraud Response Plan be updated to include a threshold above which a full investigation would be initiated as detailed in the Plan. The process to be followed for investigating low value frauds should also be clarified in the Plan.	Recommendation accepted. To be actioned by: Chief Operating Officer No later than: 31 July 2025	
			Grade	3

Fraud Prevention, Detection and Response

Objective 1 – Appropriate systems are in place to identify and respond to emerging fraud risks on a timely basis (continued).

Observation	Risk	Recommendation	Management Response
It was noted from our discussions with the COO that the College's Board of Management has not undertaken any recent fraud awareness training.	There is a risk that the Board of Management has not been provided with sufficient information on identifying and preventing fraud to monitor the controls in place.	R5 – It is recommended that the Board of Management be provided with fraud prevention and detection training.	Recommendation accepted To be actioned by: Chief Operating Officer/Clerk to the Board No later than: 31 October 2025
			Grade 3





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Agenda Item 25.23C

Glasgow Clyde College

Payroll

Internal Audit report No: 2025/07

Draft issued:	14 May 2025
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Contents

	Page
Section 1	
Management Summary	
• Overall Level of Assurance	1
• Risk Assessment	1
• Background	1
• Scop, Objectives and Overall Findings	2
• Audit Approach	2
• Summary of Main Findings	3
• Acknowledgements	3
 Section 2	
Main Findings and Action Plan	4 - 13

Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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



Management Summary

Overall Level of Assurance

Satisfactory

System meets control objectives with some weaknesses present.

Risk Assessment

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

- Risk RE13 – Failure to have data available to effectively inform operational and strategic decision making (residual risk score = 4, Green).

Background

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

The College's Payroll Team is overseen by the Assistant Principal People and Culture and consists of:

- Senior Payroll Officer (1.0 FTE)
- Payroll Officer (1.0 FTE)

The College is also in the process of recruiting a Modern Apprentice who will provide additional staff resource within the Payroll Team.

The People Team is responsible for managing information on new starters, changes in employment, and leavers. It collaborates closely with the Payroll Team to ensure that all employee records are complete and accurate.

The College uses iTrent, a fully integrated HR and payroll system, for the management of employee information and processing of payroll. Access to iTrent is segregated, with the People Team staff only able to access and amend HR records, and the Payroll Team staff only able to amend information relating to the payroll.

iTrent offers a self-service functionality which allows employees to access their payslips and submit timesheets and expenses. However, staff members can also manually complete timesheet and expense forms. This flexibility is required to enable all staff members to submit claims, as select groups of employees may not be able to routinely access iTrent. All claims are authorised by the employee's line manager and, if relevant, a separate budget holder. They are also sense-checked by the Payroll Team prior to being included within the payroll.

The College processes a single monthly payroll covering all staff.

Scope, Objectives and Overall Findings

This audit considered the key internal controls in place over the College's spend on staff costs of approximately £37.5M (12 months ending 31 July 2024). Our audit covered the procedures in place within both the People Team and the Payroll Team.

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

Objective		Findings			
The objective of our audit was to obtain reasonable assurance that systems are sufficient to ensure:			1	2	3
			No. of Agreed Actions		
1.	Correct calculation of gross pay and deductions.	Good	0	0	0
2.	Correct calculation of employer national insurance and superannuation contributions.	Good	0	0	0
3.	Part-time lecturers, overtime and staff expenses payments are properly authorised.	Satisfactory	0	0	1
4.	Approval and checking of changes to employee standing data.	Good	0	0	0
5..	Starters and leavers are properly treated and enter and leave the system at the correct dates.	Good	0	0	0
6	Proper authorisation, processing and recording of payments.	Good	0	0	0
Overall Level of Assurance		Satisfactory	0	0	1
			System meets control objectives with some weaknesses present.		

Audit Approach

From discussion with the People Team and Payroll staff, and review of procedures documentation, we identified the key internal controls in place within the College's human resources (HR) / payroll system and compared these with expected controls. We have reported on areas where expected controls were found to be absent or where controls could be further strengthened.

Compliance testing was then carried out to ensure that the controls in place are operating effectively, concentrating on starters, leavers, variations to pay and staff expenses payments.

Summary of Main Findings

Strengths

- The College utilises a fully integrated HR and payroll system – iTrent.
- The Payroll Team has developed robust payroll procedures, primarily via the 'iTrent Payroll Manual', allowing for consistency of approach and knowledge transfer.
- A payroll calendar is in place and available to all staff via the intranet, together with other guidance and forms.
- Our testing identified no significant issues regarding the calculation of employee gross pay and deductions. The College retains supporting evidence for any non-statutory deductions being made.
- Staff members can submit claims for additional hours and overtime, as well as travel and subsistence, via iTrent's employee self-service functionality. Alternatively, they can also manually complete an appropriate form.
- The People Team and the Payroll Team require appropriate evidence / forms to be returned from the employee's College e-mail account, which requires multi-factor authentication to access, in order to process any staff requests for changes to their personal details, although calling back the employee via Teams or telephone would be best practice for change of bank details. Changes are processed in a timely manner and the requests are recorded in a dedicated folder for audit trail purposes.
- The People Team applies consistent procedures regarding recruitment, selection, and onboarding of new starters, as well as processing of leavers.
- The People Team and the Payroll Team collaborate closely and there is appropriate segregation of duties between them when it comes to processing of starters and leavers. Form and system inputs done by one member of the People Team or the Payroll Team are checked by another member of the corresponding team to ensure that all employee data is accurate.
- The Payroll Team maintain their own monthly checklist to ensure that all payroll-processing actions are completed by the required deadlines.
- The College generates suitable exception and variance reports in connection to the monthly payroll and these are appropriately examined and authorised.
- Arrangements for review and approval of the monthly payroll are appropriate.

Weaknesses

- During our sample testing, we noted one small unexplained discrepancy in the employee pension contribution rate applied being slightly higher than expected for one employee. We highlighted this to the Senior Payroll Officer, and they reached out to MHR to clarify why and how a different pension contribution rate was applied by iTrent. However, they had not received a response at the time of issue of this report. No other similar discrepancies were noted from our sample testing. As a result, and because the issue was already being investigated, we did not raise a corresponding recommendation within our report.
- Our testing identified some issues regarding the completion, approval and checking of time and expense claims. This included timesheets not including the date of signing or date of approval, a mileage claim that was processed without appropriate approval and overpaid, and one instance where we were unable to verify whether the employee submitted receipts to support their expense claim and whether these were reviewed prior to approval.

Acknowledgments

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



Main Findings and Action Plan

Objective 1 - Correct calculation of gross pay and deductions.

The College utilises a fully integrated payroll and human resources (HR) system, iTrent, which is used by the Payroll Team and the People Team in the processing of payroll and employee records respectively.

The Payroll Team has developed a suite of procedures - chiefly the 'iTrent Payroll Manual' - which detail how each payroll-related process should be carried out to ensure that all employee pay is correct. We reviewed the documented procedures and found them to be comprehensive, clear, and accurate to the arrangements utilised in practice. The College has also produced a guide for staff members on how to access iTrent and its employee self-service (ESS) functionalities.

The College has established a payroll calendar, available to all employees via the staff intranet. The calendar outlines the payment dates for the upcoming academic year and the dates by which any timesheets and expense claims must be submitted and authorised to be processed within the upcoming payroll.

Responsibilities for the People Team include staff recruitment and onboarding, pre-employment checks, contractual arrangements, changes to employment, and processing of leavers. Members of the People Team input employee information on iTrent and are only able to make amendments to the HR part of the system. The People Team passes on any relevant records and information to the Payroll Team as part of routine workflows.

Deductions such as PAYE, National Insurance (NI), and pension contributions are applied automatically by iTrent based on the underlying banding schedules that are embedded within the system, ensuring that they are calculated correctly for all relevant staff. The pension banding schedules themselves are updated by the Payroll Team based on circulars issued by the pension scheme administrators. The PAYE and NI rates are embedded and updated within iTrent by the software provider – MHR, and the Payroll Team checks that these are accurate.

We tested a sample of 20 employees for the period April 2024 to December 2024 to ensure that their gross pay as well as PAYE and NI deductions had been correctly calculated. For the selected month for each employee, we reviewed their iTrent salary records and performed a re-calculation to compare their salary, any additional pay, and any relevant deductions to the corresponding elements on their payslip and the payroll reports. We identified no issues during our testing.



Objective 1 - Correct calculation of gross pay and deductions (continued).

The College automatically enrolls employees on one of two pension schemes, with an ability to opt-out. Academic staff are enrolled onto the Scottish Teachers' Superannuation Scheme (STSS), administered by the Scottish Public Pensions Agency (SPPA), while support staff are enrolled in the Strathclyde Pension Fund (SPF) under the Local Government Pension Scheme (LGPS). For both schemes, employee contribution rates vary depending on the employees' annualised pensionable earnings and the contributions are deductible before income tax. For each employee tested, we ensured that the employee pension contribution rates and actual pension deductions were correct for the month examined, dependent on the scheme they were enrolled in and their annualised pensionable pay. Except for one small unexplained discrepancy, we identified no issues during our testing.

Namely, we recalculated one support staff member's pension contribution rate as 5.50% based on their annualised earnings. However, they contributed 5.70% of their gross pay towards pension in the month and in subsequent months in 2024/25. We highlighted this to the Senior Payroll Officer, and they reached out to MHR to clarify why and how a different pension contribution rate was applied by iTrent. However, they had not received a response at the time of issue of this report. No other similar discrepancies were noted from our sample testing. As a result, and because the issue was already being investigated by the Senior Payroll Officer, we did not raise a corresponding recommendation within our report.

From discussion with College staff and review of payroll reports, we noted that employees may also pay various statutory and non-statutory deductions, including:

- Credit Union deductions;
- Trade Union fees;
- Salary sacrifice scheme contributions;
- Earnings arrestment;
- Student loan repayments; and
- Cycle to work scheme payments

For all non-statutory deductions made for employees selected as part of our sample, we verified that an appropriate instruction or other source documentation was in place to support the deductions being made at the rates shown on the employee's payslip. We identified no issues during our testing.

Objective 2 - Correct calculation of employer national insurance and superannuation contributions.

For each employee tested under Objective 1, we ensured that the employer NI payments and employer pension contributions were correct for the month examined, dependent on the pension scheme they were enrolled in and their annualised pensionable earnings. We identified no issues during our testing.



Objective 3 - Part-time lecturers, overtime and staff expenses payments are properly authorised.

Academic Staff

Lecturers taking on additional hours and those who work variable hours should ideally submit timesheets via iTrent's ESS functionality, although they can also manually complete timesheets which are returned to the Payroll Team following appropriate approval. For all additional hours worked, the timesheets must specify what they were for (e.g. hours worked by a temporary or evening lecturer), what days they were worked on, and the cost centre and activity that they should be coded to. iTrent automatically calculates the payment due on the hours declared based on the staff member's hourly rate, with all payments made a month in arrears. Once the timesheet is submitted, the employee's line manager is either automatically notified and can log into iTrent to review the claim before approving it, or they inspect and sign off the manually completed timesheet. At this point, depending on the employee's reporting structure, the timesheet is also forwarded to the relevant budget holder (e.g. Assistant Principal) for final approval. Finally, the claim then lands with the Payroll Team who sense-check it and include it for processing within the next payroll period. Prior to the cut-off date, the Payroll Team inspects timesheets that have been submitted but not authorised and prompts the relevant staff to obtain or provide appropriate approval.

We tested a sample of 10 payments made to academic staff for additional hours, evening lecturer hours, and temporary staff hours, over the period April 2024 to December 2024. We confirmed that each payment was supported by appropriately authorised timesheets and verified that in all cases it agreed to the reported hours, the applicable hourly rate, and the relevant payslip. We identified no significant issues during our testing, although we noted two instances where we could not sight the date of submission for the timesheet, and one instance where we could not sight the date of approval.

Support Staff

Support staff members who work overtime or additional hours, and those who work variable hours, submit timesheets in the same manner as academic staff.

Overtime for support staff is paid at various rates, agreed as a result of national bargaining. These rates are as follows:

- 1.0x – paid for up to 35 hours worked in any one week. This covers part time staff whose contractual hours are under 35 hours per week;
- 1.5x – paid for any hours worked over the standard 35-hour week, except for those hours which are eligible for double time; and
- 2.0x – paid for any hours worked on a Sunday or bank holiday.

We tested a sample of 10 overtime payments that were made based on timesheets to support staff over the period April 2024 to December 2024. In each case, we reviewed the claim made to ensure that the hours were correctly recorded and classified. We confirmed whether each payment made was supported by appropriately authorised claims and verified that in all cases it agreed to the reported hours, the applicable hourly rate, and the relevant payslip. We identified no significant issues during our testing, although we noted one instance of a manually completed timesheet not containing the employee's signature, and one instance where we could not sight the date of approval.



Objective 3 - Part-time lecturers, overtime and staff expenses payments are properly authorised (continued).

Expenses

Similar to timesheets, employees can submit mileage and other expense claims via iTrent's ESS functionality or a manually completed 'Travel and Incidental Expenses Claim Form'. The staff member must detail the purpose and dates of any journeys taken and the costs incurred. For each element, the claim must specify the units or miles and the provisional cash amount being claimed.

Mileage claims are made in line with HMRC rates. All non-mileage claims must be supported by documentation such as receipts or invoices in order to be approved by the employee's line manager and processed by the Payroll Team.

Once the expense is submitted, the employee's line manager is either automatically notified and can log into iTrent to review the claim before approving it, or they inspect and sign off the manually completed form. At this point, depending on the employee's reporting structure, the claim is also forwarded to the relevant budget holder for final approval. Finally, the claim then lands with the Payroll Team who sense-check it and include it for processing within the next payroll period.

We tested a sample of 10 mileage and five other expense payments made in the period April 2024 to December 2024. We sought to confirm whether each payment was supported by appropriately authorised travel and subsistence claims and to verify if in all cases it agreed to the reported costs, receipts, and the relevant payslip. We identified some weaknesses and opportunities for improvement during our testing (refer to **R1** below):

Objective 3 - Part-time lecturers, overtime and staff expenses payments are properly authorised (continued).

Observation	Risk	Recommendation	Management Response
As a result of our testing, we identified several opportunities for improvement regarding the preparation, approval, and checking of timesheets and expense claims. Specifically, we noted one instance of a manually completed timesheet not containing the employee's signature, two instances where we could not sight the date of submission for the timesheet, two instances where we could not sight the date of approval for a timesheet, and one instance of approval for a 'Travel and Incidental Expenses Claim Form' not being dated. We also noted one instance of a mileage claim being overpaid by £14.85 due to a miscalculation by the Payroll Team. Additionally, the claim was not explicitly approved (or rejected) by the employee's line manager prior to being processed, although they did receive the claim via e-mail. Finally, in one instance we were unable to verify whether the employee submitted receipts together with their expense claim totalling £90. The Payroll Team does not examine receipts where these should be forwarded directly to the employee's line manager to support the expense claim logged via iTrent.	Time and expense claims are not complete or accurate. Time and expense claims are not appropriately approved and checked prior to being processed. Errors in payments made in connection to time and expense claims.	R1 The College should consider: a) Issuing reminders to staff, including line managers and budget holders, that all parts of timesheets and expense claims should be completed prior to submission. This should include the necessary signatures and dates. b) Advising line managers and budget holders that, prior to approving them, they must review and check the validity and accuracy of any time and expense claims submitted. This should include an examination of any receipts supporting the expense claims made. (Continued below)	The College acknowledges the recommendations outlined in the internal audit report and is committed to strengthening internal controls and ensuring compliance with established procedures. The following actions will be taken in response to each recommendation: a) A reminder will be issued to all staff via internal communication channels, reiterating the requirement for full completion of timesheets and expense claims. This will include clear guidance on the necessity of signatures and dates prior to submission. b) Line managers and budget holders will be reminded of their responsibility to thoroughly review all claims before approval. This includes verifying the accuracy of the information provided and ensuring that all supporting receipts are attached.



Objective 3 - Part-time lecturers, overtime and staff expenses payments are properly authorised (continued).

Observation	Risk	Recommendation	Management Response
See above	See above	(Continued from above). c) Confirming with the Payroll Team that they must not process any timesheets or expense claims without explicit approval from the appropriate line manager / budget holder. d) Asking the Payroll Team to collect and inspect receipts for any relevant expense claims, regardless of how they are submitted.	(Continued from above). c) The Payroll Team has been reminded that no timesheet or expense claim should be processed without the appropriate authorisation. This control is embedded within the iTrent system, which requires approval workflows to be completed before processing can occur. The Payroll Team will continue to monitor compliance and escalate any anomalies to line managers for resolution. d) The Payroll Team will ensure that all expense claims are accompanied by valid receipts. Where claims are submitted electronically, receipts must be sent directly to Payroll. Claims submitted without receipts will be returned to the claimant for correction. This requirement will be included in the updated staff guidance. To be actioned by: Head of People No later than: 31 August 2025
			Grade 3



Objective 4 - Approval and checking of changes to employee standing data.

Employees cannot utilise the self-service functionality within iTrent to change their personal details. Instead, there are various change forms available for staff to complete and forward to the People Team or the Payroll Team for processing. Certain amendments such as change to name may require additional evidence to be provided (e.g. marriage certificate).

For updates to bank details, employees must complete and sign a 'Bank Mandate Form' which captures both their old and new bank information. They must then sign the form and send it to the Payroll Team, which examines it and confirms the staff member's request as genuine. Any requests for changes to bank details must come via the employee's College e-mail address that requires multi-factor authentication to access, providing additional security, although calling back the employee via Teams or telephone would be best practice. The Payroll Team also checks that the old bank details on the 'Bank Mandate Form' agree to the existing data on iTrent and finally update the data to match the employee's new bank details. The employee can then verify that the change was processed by logging onto the iTrent ESS. The Payroll Team retains all requests for changes to bank details in a dedicated folder within the Team's e-mail inbox.

Additionally, the College may receive an AWACS (Advice of Wrong Account for Automated Credits Service) Report when processing payroll payments. This report notifies them of any changes to the BACS payment following its commitment, compared to the details supplied by the College. This includes changes to recipients' bank details, which the Payroll Team then updates on iTrent.

We tested a sample of seven changes made to employee bank details between the period July 2024 to December 2024. We verified that requests for the changes were appropriately reviewed, confirmed as genuine, and processed on iTrent by a member of the Payroll Team in a timely manner.



Objective 5 - Starters and leavers are properly treated and enter and leave the system at the correct dates.

Starters

The People Team looks after staff recruitment and onboarding, pre-employment checks, and contractual arrangements.

Proposals for any new posts within the College's establishment go through an evaluation process facilitated by the Staffing Group and must first be approved before the recruitment process begins.

The People Team and the hiring manager agree the contents of the job advert and job description, and the vacancy is advertised internally and externally through appropriate means. Candidates then complete their applications using the iTrent recruitment module. Following this, the People Team invites shortlisted candidates for interviews. Once a successful candidate has been selected, they receive an initial job offer and an e-mail with key documentation to be returned. In the meantime, the People Team complete a 'New Start Details' form which serves as a checklist that tracks whether all the required information has been obtained and processed. Finally, a start date is agreed, and the People Team collates all the information from the returned forms and inputs it onto iTrent, initiating a workflow to be picked up by the Payroll Team. Similarly, they upload the 'New Start Details' form into a dedicated folder for further processing and sign-off by the Payroll Team. All inputs on the 'New Start Details' form and iTrent are reviewed by another staff member from the corresponding team.

The offer of employment is subject to:

- A satisfactory Protecting Vulnerable Groups (PVG) scheme or another Disclosure Scotland check.
- A satisfactory right to work check.

We tested a sample of 10 starters for the period between April 2024 and January 2025, and checked that, in each instance:

- A copy of a signed contract was available which detailed the employee's salary or hourly pay, working hours, and other contractual arrangements.
- A 'New Start Details' form and other documents were completed and signed.
- A P45, PAYE Declaration, or equivalent has been received.
- Details shown on each form agreed to the records on the iTrent system.
- A right to work and other pre-employment checks were carried out.

We also re-calculated each employee's first pay, compared it to the corresponding payslip, and confirmed that it was calculated correctly in relation to their start date and agreed salary. We identified no issues during our testing.



Objective 5 - Starters and leavers are properly treated and enter and leave the system at the correct dates (continued).

Leavers

The leaver's notification procedure normally begins with the staff member submitting their resignation to their line manager, who should then forward it promptly to the People Team. Afterwards, the People Team completes an 'Organisation Leaver Details' form with the necessary details, including any annual leave to be paid and a confirmation that ICT has been notified so that they can remove the leaver's access as of an appropriate date. The form is then forwarded to the Payroll Team, which adds any payroll-relevant information, such as final salary calculation, deductions to be made, and any outstanding timesheets. The employee's HR record on iTrent is amended throughout this process to reflect this. All inputs on the 'Organisation Leaver Details' form and iTrent are reviewed by another staff member from the corresponding team.

We tested a sample of 10 leavers for the period between April 2024 and December 2024, and checked that, in each instance:

- A letter of resignation or equivalent supporting paperwork was received.
- The leaver's notification procedure operated effectively.
- The 'Organisation Leaver Details' was completed by the leaver's line manager and processed by the People Team and the Payroll Team.
- Calculations covering any outstanding pay and deductions were completed.
- The termination date shown on leaver's documentation agreed with the date recorded on the iTrent system.

We also re-calculated each employee's last pay, compared it to the corresponding payslip, and confirmed that it was calculated correctly in relation to their leaving date and salary, with all pay ceasing on their last day of service. We identified no issues during our testing.



Objective 6 - Proper authorisation, processing and recording of payments.

Through discussion with the Senior Payroll Officer, we established the processes in place for the preparation, authorisation, and recording of payroll-related payments.

We confirmed that the Payroll Team maintains their own monthly checklist to ensure that all payroll-processing actions are completed by the required deadlines.

The College runs a single monthly payroll which covers all staff. The Payroll Team prepares the monthly payroll, including all claims and changes submitted by the cut-off date. The Senior Payroll Officer and the Payroll Officer cross-check each other's outputs to ensure that they are correct. The Payroll Team also generates various exception and variance reports, and performs checks to monitor, identify, and investigate any significant differences to the prior month's payroll. These include the following:

- iTrent Error Warning Report – this report is reviewed for any unexpected items. All errors and warnings categorised as 'fatal' are examined and must be fully resolved prior to payment.
- Net Pay Variance Check – for each staff member, the Payroll Team reviews any variances of £50 and above compared to the prior month to ensure these can be explained and reconciles them. The Team also inspects any instances of no net pay or negative net pay in the current period to confirm if these are accurate.

Additionally, the Payroll Team reconciles the net pay to the previous period and maintains a year to date (YTD) reconciliation for all pay elements.

Once the monthly payroll and accompanying reports have been prepared and checked, the Payroll Team generates a BACS payment file and forwards everything to the Head of People for review and approval. Following the approval, the Payroll Team commits the BACS file for payment via the BACS payment platform. Appropriate segregation of duties is maintained as one team member can upload the file to the portal while another is able to confirm the payment itself, but neither can complete the process from start to finish. The College then receives a report back from the BACS payment platform which confirms the payment date, amount and the number of instructions made. Once the payment is processed, Finance reviews the relevant journal entries and reconciles them to the College's finance system.

We traced a sample of net pay payments covering the period April 2024 to December 2024 and ensured that they were processed in line with the procedures outlined above. For each of the months, we confirmed that the Payroll Team prepared, checked, and reconciled the monthly payroll run and corresponding exception and variance reports, generated a matching BACS payment file, and forwarded these to the Head of People who approved the payroll for payment. Finally, we examined bank statement extracts to confirm that a corresponding payment was made from the College's bank account. We identified no issues during our testing.





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AUDIT COMMITTEE MEETING

Date of Meeting	28 May 2025
Paper Title	Internal Audit Plan 2024/25 Progress Report
Action	Information
Prepared by	Peter Fee (Assistant Principal Finance and Facilities)
Agenda Item	25.24
Status	Disclosable

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide a summary of the progress against the Internal Audit Plan for 2024/25, as being completed by Henderson Loggie.

2. ACTION FOR THE BOARD

- 2.1 Members of the Audit Committee are invited to note this paper.

3. BRIEF BACKGROUND INFORMATION

- 3.1 The attached shows the planned timescales for reporting to the Audit Committee for each of the audit areas within the 2024/25 Internal Audit Plan.

4. SUPPORTING DOCUMENTATION/ FURTHER INFORMATION

- 4.1 The Internal Audit Plan 2024/25 Progress Report is attached at Annex 25.24A.

5. RISKS

- 5.1 There are no specific risks associated with this paper.

6. ANY OTHER SIGNIFICANT IMPACT e.g STUDENT EXPERIENCE/LEGAL/ FINANCIAL/EQUALITY& DIVERSITY

- 6.1 The College is required to have an internal audit function undertaken each year as part of the Financial Memorandum.

Glasgow Clyde College

Internal Audit Progress Report

Audit Committee – 28 May 2025

Issued: 19 May 2025



Internal Audit Progress Report May 2025

Progress with the annual plan for 2024/25 is shown below.

Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit Committee	Comments
Annual Plan 2024/25	October 2024	Draft: 14/08/24 Final: 10/09/24	2025/01	N/A	02/10/24	
Student Welfare – Duty of Care	May 2025	Draft: 19/02/25 Final: 20/02/25	2025/03	Good	05/03/25	
Payroll	March 2025	Draft: 14/05/25 2 nd Draft: 16/05/25 Final: 16/05/25	2025/07	Satisfactory	28/05/25	
Building Maintenance / Estates Strategy / Capital Projects	May 2025	Draft: 02/05/25 Final: 19/05/25	2025/05	Good	28/05/25	
Budgetary Control	March 2025	Draft: 14/02/25 Final: 20/02/25	2025/02	Good	05/03/25	
Fraud Prevention, Detection and Response	May 2025	Draft: 14/05/25 Final: 19/05/25	2025/06	Satisfactory	28/05/25	
Corporate Governance	March 2025	Draft: 24/02/25 Final: 25/02/25	2025/04	N/A	05/03/25	



Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit Committee	Comments
Systems Development / Implementation	May 2025					Fieldwork start date delayed due to a family bereavement for the lead auditor. Fieldwork is ongoing.
Follow-Up Reviews	September 2025					Agreed start date for fieldwork 28/07/25.
Credits	November 2025					Agreed start date for fieldwork 01/09/25.
Student Support Funds	November 2025					Agreed start date for fieldwork 08/09/25.

Gradings are defined as follows:

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



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AUDIT COMMITTEE MEETING

Date of Meeting	28 May 2025
Paper Title	Draft Internal Audit Plan for 2025/26
Action	Discussion/Decision
Prepared by	Henderson Loggie, Internal Auditors
Agenda Item	25.25
Status	Disclosable

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to present to the Committee for discussion and approval the 2025/26 draft Internal Audit Plan as prepared by Henderson Loggie.

2. ACTION FOR THE BOARD

- 2.1 Members of the Audit Committee are invited to discuss and approve the 2025/26 draft Internal Audit Plan.

3. BRIEF BACKGROUND INFORMATION

- 3.1 Following a regional collaborative procurement exercise in July 2021 Henderson Loggie were re-appointed as internal auditors of the College for the period 1 August 2021 to 31 July 2024 with an option to extend for a further 24 months. As outlined in agenda item 24.23, the College is proposing to exercise the option to extend this appointment until 2025/26.

4. SUPPORTING DOCUMENTATION/ FURTHER INFORMATION

- 4.1 The 2025/26 draft Internal Audit Plan is attached at Annex 25.25A.

5. RISKS

- 5.1 There are no specific risks associated with this paper.

6. ANY OTHER SIGNIFICANT IMPACT e.g STUDENT EXPERIENCE/ LEGAL / FINANCIAL/ EQUALITY& DIVERSITY.

- 6.1 The College is required to have an internal audit function undertaken each year as part of the Financial Memorandum.

Glasgow Clyde College

Internal Audit Annual Plan 2025/26

Internal Audit Report No: 2026/01

Draft issued: 15 May 2025

2nd Draft issued: 19 May 2025

Final issued:



Contents

		Page
Section 1	Introduction	1
Section 2	Proposed Operational Plan 2025/26	2 - 3
Section 3	High Level Descriptions of proposed 2025/26 topics	4



Introduction

- 1.1 We were re-appointed in 2021 as internal auditors to Glasgow Clyde College ('the College') for the period 1 August 2021 to 31 July 2024 with the option to extend for a further 24 months, subject to performance and at the sole discretion of the College. The College has exercised this option following approval by the Audit Committee at its meeting on 29 May 2024.
- 1.2 The purpose of this document is to present for consideration by management and the Audit Committee the annual operating plan for the year ended 31 July 2026. The plan is based on the proposed allocation of audit days for 2025/26, which was based on previous internal audit coverage and key areas of risk, and was developed in conjunction with the Chief Operating Officer and the Assistant Principal, Finance & Facilities.
- 1.3 The proposed internal audit programme for 2025/26 is included in Section 2 of this report. The attached plan shows the proposed assignments, together with a link to the College Strategic Risk Register (SRR) and the last year in which each area was subject to internal audit review.
- 1.4 At Section 3 of this report we have set out a brief outline of the areas earmarked for coverage in 2025/26. The outline scopes will be expanded following agreement by the Audit Committee on the proposed programme, and will be refined and finalised through discussion with responsible managers in each audit area prior to each audit.
- 1.5 Separate reports will be issued for each assignment with recommendations graded to reflect the significance of the issues raised. In addition, audit findings will be assessed and graded on an overall basis to denote the level of assurance for the area reviewed and therefore the priority that should be given to each report.

Operational Plan 2025/26

Proposed Allocation of Audit Days

	Strategic	Proposed	Year last reviewed
Category	Risk	25/26	by
	Number	Days	Internal Audit (HL)
Reputation			
<i>Publicity and Communications</i>	Gov		2019/20
<i>Health, Safety and Wellbeing</i>	Gov	4, 6	2023/24
Student Experience			
<i>Curriculum – VLE platform</i>	Perf	7	2022/23
<i>Quality</i>	Perf		2019/20
<i>Student support</i>	Perf	7, 10	2023/24 ELS BPR
<i>Student recruitment and retention</i>	Fin/Perf	3, 7, 10	2021/22
<i>Student welfare – Duty of Care</i>	Perf	7, 10	2024/25
<i>Student engagement / Students Association</i>	Gov		2022/23
Staffing Issues			
<i>Staff recruitment and retention</i>	Perf	9	2019/20
<i>Staff development</i>	Perf	8, 9	2021/22
<i>Payroll</i>	Fin		2024/25
<i>iTrent System BPR</i>	Perf	5	Not reviewed by HL
<i>Teaching staff utilisation</i>	Perf / Fin		2021/22
<i>National bargaining</i>	Fin	2	Not reviewed by HL
<i>Leadership culture and organisation</i>	Perf	8, 9	5
			Not reviewed by HL
Estates and Facilities			
<i>Building maintenance)</i>	Fin/Perf	4, 11	2024/25
<i>Estates strategy / capital projects)</i>	Fin/Perf	11	2017/18
<i>Space management / room utilisation</i>	Perf	11	2021/22
<i>Asset / fleet management</i>	Perf		Not reviewed by HL
Financial Issues			
<i>Budgetary control</i>	Fin	1, 3	2024/25
<i>Long term financial planning</i>	Fin	1, 3	5
<i>Student fees and contracts / registry</i>	Fin		2022/23
<i>General ledger</i>	Fin		Not reviewed by HL
<i>Procurement and creditors / purchasing</i>	Fin		2023/24
<i>Debtors/ Income</i>	Fin		2021/22
<i>Cash & Bank / Treasury management</i>	Fin		2019/20
<i>Fraud Prevention, Detection and Response</i>	Fin		2024/25
<i>Delivery of Efficiency Savings Plan</i>	Fin		2020/21
<i>Credit Card Expenses (including Fuel Cards)</i>	Fin	5	Not reviewed in isolation by HL

		Strategic	Proposed	Year last reviewed
	Category	Risk	25/26	by
		Number	Days	Internal Audit (HL)
Commercial Issues				
<i>Business Development BPR*</i>	Fin/Perf		5	2021/22
<i>External Activities BPR*</i>	Gov/Fin/Perf			2017/18
Organisational Issues				
<i>Risk Management</i>	Perf			2020/21
<i>Business Continuity</i>	Perf	4		2020/21
<i>Corporate Governance</i>	Gov	8		2024/25
<i>Corporate Planning</i>	Perf			2016/17
<i>Performance reporting / KPIs</i>	Perf	13		2022/23
<i>Partnership Working (incl. Regional Engagement)</i>	Gov/Perf			2018/19
<i>Equalities</i>	Gov			2019/20
<i>Environmental Sustainability</i>	Gov/Perf	5		2023/24
Information and IT				
<i>Cyber security</i>	Perf	4	6	2022/23
<i>Data protection</i>	Gov	13		2023/24
<i>BYOD</i>	Perf / Fin			2022/23
<i>FOI</i>	Gov			Not reviewed by HL
<i>Systems development / implementation</i>	Perf			2024/25
<i>Digital / IT strategy implementation</i>	Perf			2020/21
<i>Software Licencing</i>	Perf			2023/24
Other Audit Activities				
Credits Audit	Perf		7	All years
Bursary, Childcare and Hardship Funds Audit	Perf		5	All years
EMA Audit	Perf		1	All years
Management and Planning)			4	
External audit / SFC)				
Attendance at Audit Committee)				
Follow-up reviews			2	All years
Audit Needs Assessment			2	2024/25
Total			52	
			=====	

Key**Category:** Gov – Governance; Perf – Performance; Fin – Financial

BPR = Business process review

* = Topics will be covered in a single review

High Level Descriptions of proposed 2025/26 topics

Audit area	Objective
Business Process Review on the iTrent system	Following the implementation of the iTrent integrated HR/Payroll system we will conduct a Business Process Review to examine the extent to which the system is delivering anticipated project outcomes and to identify any areas for improvement to optimize system functionality and leverage the benefits of the system.
Leadership culture and organisation	This review is intended to align with strategic risk RE8 on the SRR, which is “Risk of not having culture of effective, capable leaders who are motivated and have ability to take staff with them”. This topic was considered by the Audit Committee as a potential topic for the 2024/25 programme but a reorganisation was in progress at that time and therefore it was felt that the timing was too soon.
Long Term Financial Planning	The objective of this review would be to ensure that the College has developed a long-term financial strategy, which includes long-term financial forecasts. This would include a review of the assumptions used in the financial forecasting returns submitted to the SFC to ensure that they are robust, realistic and applied consistently. Any departure from the SFC guidance on common sector assumptions should be justified to the Board and the SFC.
Credit Card Expenses (including Fuel Cards)	This review would be to focus on the use of credit and fuel cards and the mechanisms in place to ensure that only appropriate spend is authorised and that proportionate oversight arrangements are in place for credit card and fuel card spend.
Business Process Review on Business Development / External Activities	External Funding Unit not specifically reviewed since 2017/18 – now combined with Business Development Unit. This topic was considered by the Audit Committee as a potential topic for the 2024/25 programme.
Cyber Security	In December 2024, the Scottish Government published version 2.0 of the Scottish public sector cyber resilience framework (PSCRF). There are many cyber security standards utilised to assess the level of compliance and accreditation across different aspects of the public sector in Scotland. The PSCRF was created as an aggregation of controls across these standards to provide a more unified approach. The framework is intended to support Scottish Public Sector Organisations (PSOs), to improve their cyber resilience and to comply with a range of legislative, regulatory, policy and audit requirements in respect of cyber security. PSOs are encouraged to align their cyber security and resilience posture to the framework. This review would examine the College’s preparations to adopt the PSCRF.

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AUDIT COMMITTEE MEETING

Date of Meeting	28 May 2025
Paper Title	College Assurance Framework / Certificate of Assurance
Action	For discussion
Prepared by	Niall Macpherson, Chief Operating Officer
Agenda Item	25.26, 25.26A, 25.26B
Status	Disclosable

1. PURPOSE OF THE REPORT

- 1.1 This paper provides a summary of the College Assurance Framework, the College Assurance Mapping and the annual Certificate of Assurance process.

2. ACTION FOR THE COMMITTEE

- 2.1 The Committee is requested to discuss the College Assurance Framework and the Certificate of Assurance Process for the College and the Region.

3. BACKGROUND

- 3.1 The College has an Assurance Framework which has been previously reported to and agreed by the Committee.
- 3.2 The assurance framework includes the annual report from the Audit Committee as part of the financial statements process. The annual report from the Committee includes a summary paper on the activity for each of the other College Committees during that year, showing the monitoring and reporting completed against each of their Committee remit areas. This is presented to the November meeting.
- 3.3 A College Assurance Mapping process is in place as previously reported to the Committee which follows the three lines of assurance model in the Scottish Government Audit and Assurance Committee Handbook. The College assurance mapping is attached in Annex 25.26A which shows the mapping of assurance activity against the items within the annual Certificate of Assurance which the College must complete for submission to GCRB (and subsequently this is included as part of reporting to SFC and then to the Scottish Government), and against the requirements of the Financial Memorandum with the GCRB. It also includes mapping process against the quality framework produced by Education Scotland of “How Good is Our College?” against the three themes.
- 3.4 The three lines of assurance defence as per the Scottish Government and Audit Assurance Handbook and used in the attached assurance mapping are as below:
- First line: management assurance from “front line” or business operational areas;
 - Second line: oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation’s management chain; and
 - Third line: independent and more objective assurance, including the role of Internal Audit and from external bodies.

- 3.5 Also to comply with the Scottish Public Finance Manual (SPFM) the College must have in place a Certificate of Assurance process to support the governance statement in the financial statements and to enable the overall Certificate of Assurance for the College to be signed by the Principal. The Principal must complete a Certificate of Assurance statement to GCRB who in turn completes one for Scottish Funding Council as part of their year-end process (their financial period end is March) and the SFC will in turn complete a statement for submission to the Scottish Government.
- 3.6 NB: this regional arrangement will remain in place until the scheduled dissolution of GCRB on 30/07/25.
- 3.7 There are 16 items on the Schedule of Required Assurances for the Certificate of Assurance, and the College also must comply with the financial memorandum.
- 3.8 For completion of the Certificate of Assurance, the College uses an internal process where identified key senior managers provide assurances to the Principal on the elements within the assurance checklist relating to their area.
- 3.9 For each of the items on the Schedule of Required Assurances, the Principal has either to confirm that these controls have been, and are, working well, and there are in his opinion no significant matters arising in the college which would require to be raised specifically in the assurance to be given, or draw attention to any matter(s) which should be considered by GCRB in the preparation of their governance statement. The document is then to be returned to GCRB.
- 3.10 A copy of the signed Certificate of Assurance for 2024/25 (i.e. April 2024 to March 2025) is attached at Annex 25.26B. The Principal has not drawn any matters to the attention of GCRB in relation to the preparation of the governance statement.

4. RISKS

- 4.1 There are no specific risk implications in this paper.

5. LEGAL IMPLICATIONS/FINANCIAL IMPLICATIONS/REGIONAL OUTCOME AGREEMENT IMPLICATIONS

- 5.1 The College must comply with the Scottish Government Audit and Assurance Committee Handbook as part of its status as a public body.

6. HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT

N/A

Glasgow Clyde College – Audit Committee

College Assurance Mapping – May 2025

Assurance Mapping against Certificate of Assurance Areas	First Line: <i>Management assurance from 'front line' or business operational areas</i> (Business Management/ process)	Second Line: <i>Oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation's management chain</i> (Corporate Oversight/ application of process)	Third Line: <i>Independent and more objective assurance, including the role of Internal Audit and from external bodies</i> (External Assurance/ evidence of assurance)
Certificate of Assurance - Schedule of Required Assurance Areas			
1. Ensure that appropriate financial systems are in place and applied and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major change.	Financial Regulations Financial Policies and Procedures. College budget holders' responsibility with delegated authorities and regular monitoring. Finance system controls.	Financial system controls and regular meetings on budget monitoring with budget holders Management Accounts regular reporting to SLT. AP - Finance and Facilities and COO have oversight of monthly reporting.	Finance & Resources Committee receives quarterly finance reports highlighting actual versus budget performance together with explanations of material variances. Internal Auditor review of financial systems as per the agreed plan.
2. Ensure that proper financial procedures are followed and that accounting records are maintained in the form prescribed for published accounts.	College Financial Policies and Procedures available to all staff on College intranet. Financial Regulations. Delegated authority limits. Finance team monitor compliance with financial regulations. Regular budget monitoring meetings.	Management accounts presented to SLT. Capital plan and expenditure monitoring presented to SLT. Financial statements sections reviewed and updated by EMT as appropriate. AP - Finance & Facilities and COO have oversight of finance reporting.	Finance & Resources Committee receives quarterly finance reports and progress against capital expenditure plan. Audit Committee and Finance & Resources Committee review the annual financial statements. GCRB receives regular updates on capital expenditure performance against plan. Internal Auditor reviews financial areas as agreed during annual audit plan.
3. Ensure that procurement activity is conducted in accordance with the applicable public sector procurement requirements.	The College has a dedicated Procurement Manager and	Procurement Strategy.	Glasgow Regional Procurement Team /Steering Group;

Assurance Mapping against Certificate of Assurance Areas	First Line: <i>Management assurance from 'front line' or business operational areas</i> (Business Management/ process)	Second Line: <i>Oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation's management chain</i> (Corporate Oversight/ application of process)	Third Line: <i>Independent and more objective assurance, including the role of Internal Audit and from external bodies</i> (External Assurance/ evidence of assurance)
	Procurement Officer (both currently in-sourced from APUC). Procurement controls in finance system. Procurement Procedures. APUC Shared Service provision.	Procurement Updates to Finance & Resources Committee. Procurement department provide advisory service and manage all tender activity. AP - Finance & Facilities has oversight.	Procurement & Commercial Improvement Programme (PCIP) Assessment.
4. Ensure that effective management systems appropriate for the achievement of the body's objectives, including financial monitoring and control systems, have been put in place.	Financial Regulations. Delegated authority limits in place. Budget planning. Managers are set Key Objectives in line with corporate strategy & annual Business Plan.	College Strategic Plan objectives. Annual Business Plan objectives SLT reporting. Credits Monitoring Report. Commercial Performance reporting Staff Costs Monitoring/Staffing Group	Regular reporting to Finance & Resources Committee. Internal Audit as per rolling internal audit programme.
5. Ensure all risks relating to delivering business objectives, regularity, propriety or value for money are identified.	Delegation to College managers as budget holders. Key risk areas monitored by College depts e.g. financial performance, credits, cyber security.	SLT update Corporate Risk Register every quarter. Risk Management Policy.	Annual review of Risk Appetite. Audit Committee reporting of Risk Register with any updates. GCRB reporting of Risk Register updates.
6. Ensure that arrangements have been made to secure Best Value as set out in the Scottish Public Finance Manual.	The College has a dedicated Procurement Manager and Procurement Officer (both currently in-sourced from APUC). Internal processes to achieve best value from procurement and operating methods.	APUC advisory service available. Procurement Policy. Procurement Procedures.	Annual Procurement Benefits Statement. Procurement and Commercial Improvement Programme (PCIP) Is this in place? Internal Audit as per rolling internal audit programme.

Assurance Mapping against Certificate of Assurance Areas	First Line: <i>Management assurance from 'front line' or business operational areas</i> (Business Management/ process)	Second Line: <i>Oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation's management chain</i> (Corporate Oversight/ application of process)	Third Line: <i>Independent and more objective assurance, including the role of Internal Audit and from external bodies</i> (External Assurance/ evidence of assurance)
7. Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs, outcomes and performance in relation to those objectives.	Staff Annual Personal Development Plan (PDP) Process. Budget planning process. Portfolio Planning & Monitoring	SLT monitoring; Managers' discussions with individuals on an ongoing basis; PI Evaluation.	Reporting to Board sub-committees. New SEAP Evaluation SFC Reporting (FES return) Internal Audit as per rolling internal audit programme.
8. Ensure that all managers are assigned well defined responsibilities for making the best use of resources.	Organisational Staff Structure. Job Descriptions. Budget Allocations.	SLT Budget Monitoring Documented Delegated Authority Limits. Monthly Staffing Group meetings.	Reporting to Board sub-committees. Internal Audit as per rolling internal audit programme.
9. Ensure that all managers have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.	Induction and internal training. Subscription to external bodies to provide technical expertise e.g. JISC, information security;	CPD and Learning and Development Records. Personal Development Planning Process.	Engagement with sector networks e.g Finance Directors, Principal and VP groups. External Verification and Accreditation for teaching activity. Internal Audit as per rolling internal audit programme.
10. Ensure that the body achieves high standards of regularity and propriety in the consumption of resources.	Financial Regulations. Documented delegated authority limits. Automated Approval and Procurement Checks on all orders above £2k. Budget monitoring meetings.	Management accounts presented to SLT. Financial Sustainability Strategy. Procurement Strategy/Policy/Procedures; Procurement Annual Report.	Procurement and Commercial Improvement Programme (PCIP) Is this in place? Finance & Resources Committee reporting on procurement Code of Conduct and Code of Good Governance; Declaration of Interest at all Meetings Annual Register of Interests.

Assurance Mapping against Certificate of Assurance Areas	First Line: <i>Management assurance from 'front line' or business operational areas</i> (Business Management/ process)	Second Line: <i>Oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation's management chain</i> (Corporate Oversight/ application of process)	Third Line: <i>Independent and more objective assurance, including the role of Internal Audit and from external bodies</i> (External Assurance/ evidence of assurance)
			Internal Audit as per rolling internal audit programme.
11. Ensure that you have a well communicated fraud policy, an up-to-date fraud response plan and effective avenues for reporting suspicions of fraud.	Named individuals with responsibilities in Fraud Response Plan. Financial Regulations available on intranet with staff responsibilities for all levels.	Anti-fraud and Bribery Policy Fraud Response Plan. Whistleblowing Policy. COO and AP People & Culture have oversight;	Escalation to Audit Committee Reporting to SFC and GCRB (frauds > £5k) Internal Audit as per rolling internal audit programme.
12. Ensure that there are processes in place around compliance with an IT security policy and for dealing with potential breaches.	Network Monitoring Activity; ICT acceptable use Procedure for all staff Data Protection Procedures	Senior Leadership Team. Information Security Policy. Data Protection Policy	Annual Cyber Essentials Plus Accreditation Annual Network Penetration Testing. Internal Audit as per rolling internal audit programme. Joints Information Steering Committee membership (JISC).
13. Ensure that appropriate consideration has been given to business continuity planning and disaster recovery for key activities.	Business Continuity Plan (BCP)	Annual Penetration Testing. Scenarios discussed at SLT. Corporate Risk Register.	Regular testing of BCP by insurer. Internal Audit as per rolling internal audit programme.
14. Ensure that you have an up-to-date publication scheme, that it is sufficiently open and proactive in publishing information of interest to your stakeholders.	Publication Scheme reviewed and updated regularly and published on College Website	Senior Leadership Team	Scottish Information Commissioner's Office
15. Ensure that you have a people/HR strategy in place and that you measure levels of employee engagement (e.g. through a staff survey) and take action in response as required.	HR Business Partner Model. Extensive Trade Union Engagement Staff Voice.	People Strategy. Staff surveys.	Internal Audit as per rolling internal audit programme. KPI Reporting to Organisational Development Committee

Assurance Mapping against Certificate of Assurance Areas	First Line: <i>Management assurance from 'front line' or business operational areas</i> (Business Management/ process)	Second Line: <i>Oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation's management chain</i> (Corporate Oversight/ application of process)	Third Line: <i>Independent and more objective assurance, including the role of Internal Audit and from external bodies</i> (External Assurance/ evidence of assurance)
	Clyde Connects Newsletters. Principal Communications.		
16. Assurance that the requirements of the Scottish Public Finance Manual (SPFM) have been met. These include requirements on the following: • Prior approvals from Scottish Government. • Overdrafts not to be used. • Prior consent for lending of funds, or giving a guarantee, indemnity or letter of comfort; • Contingent liabilities. • Expenditure delegations. • Potential novel, contentious, repercussive or future cost implications expenditure. • Information on frauds. • Establishing internal delegated authority arrangements. • Severance scheme approvals by SFC. • Consultancy contracts over £100k. • Any contract without competitive action over £25k to be approved by SFC.	Financial Regulations. College delegated authority limits. Automated approval and procurement checks on all orders above £2k.	Under delegated authority limits any SPFM requirements related matters must be reported to AP Finance & Facilities who then must inform EMT and, if agreed, seek approval from GCRB/SFC. Procurement annual report. SLT Certificate of Assurance process (as per above 15 items). Voluntary severance schemes require approval of EMT. Assistant Principal: Finance & Facilities has oversight for SPFM compliance.	Procurement reports to F&R Committee. GCRB/SFC approvals required as appropriate. SFC Annual Accounts Guidance. Voluntary severance schemes require Board approval. Internal Audit as per rolling internal audit programme.

Assurance Mapping against Education Scotland's "How Good is Our College?" Framework	First Line: <i>Management assurance from 'front line' or business operational areas</i> (Business Management/ process)	Second Line: <i>Oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation's management chain</i> (Corporate Oversight/ application of process)	Third Line: <i>Independent and more objective assurance, including the role of Internal Audit and from external bodies</i> (External Assurance/ evidence of assurance)
17. Theme 1 – Leadership and Quality Culture <i>How Good is the College's Leadership and approach to improvement?</i>	College Leadership Framework Self-Evaluation Process PDP/PDR Process	KPI Reporting Dashboards Board Learning and Teaching Committee Self-Evaluation Action Plan (SEAP)	Education Scotland Engagement SQA Systems Verification SFC/GCRB Regional Outcome Agreement
18. Theme 2 – Delivery of learning and services to support learning <i>How Good is the Quality of the Provision and Services the College delivers?</i>	Self-Evaluation Process Course Forums and Class Rep feedback Attendance tracking system	College retention and attainment PIs College Complaints Internal Verification of course delivery Self-Evaluation Action Plan (SEAP)	SFC Early Impressions and Student Satisfaction Survey SQA External Verification of delivery Education Scotland Annual Engagement Visits
19. Theme 3 – Outcomes and Impact <i>How Good is the College at ensuring the best outcomes for all its learners?</i>	PLSPs Careers guidance processes Come to Clyde strategy on internal progression guarantees.	'Course Manager' System Stakeholder Survey Positive destinations Survey Self-Evaluation Action Plan (SEAP)	SFC National Benchmarking Data SWAP Annual Report UCAS Registered Centre Progression Report

ANNEX B

Certificate of Assurance to the Chief Officer April 2024 – March 2025

I am aware that as Chief Officer you are required to provide assurance to the Accountable Officer of the Scottish Further and Higher Education Funding Council to enable her to provide assurance to the Principal Accountable Officer of the Scottish Government to sign a governance statement as part of the Scottish Government consolidated accounts for 2024-25.

To assist in that process, I can confirm that I have undertaken a review of the internal control arrangements in my college and obtained required assurances.

Based on that review, and my own knowledge of the internal control matters in my college:

I can confirm that these controls have been, and are, working well. There are in my opinion no significant matters arising in the college which would require to be raised specifically in the governance statement.

Or

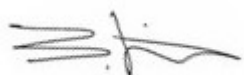
~~I would draw your attention to the following matter(s) which should be considered in the preparation of the governance statement.~~

PLEASE COMPLETE

None

Apart from the above, I can confirm that controls in the college have been and are working well. There are, in my opinion, no other significant matters arising which would require to be raised specifically in the governance statement.

Name: Jon Vincent



Job Title: Principal and Chief Executive

Date: 2 April 2025

AUDIT COMMITTEE MEETING

Date of Meeting	28 May 2025
Paper Title	Appointment of Internal Auditors
Agenda Item	25.27
Responsible Officer	Niall Macpherson, Chief Operating Officer
Status	Disclosable
Action	For Approval

1 PURPOSE OF THE REPORT

- 1.1 The report recommends putting the procurement of internal audit services out to tender on expiry of the current contract on 31 July 2026.

2 ACTION FOR THE COMMITTEE

- 2.1 The Committee is invited to agree the recommendation within the report.

3 BACKGROUND INFORMATION

- 3.1 Having been in post since 2017/18, the College re-appointed Henderson Loggie as its outsourced internal audit provider for a three-year period commencing 01 August 2021 (with an option to extend for a further two-years subject to satisfactory performance).
- 3.2 On completion of the initial three-year period, a 24-month extension was agreed taking contract expiry to 31 July 2026.

4. RECOMMENDATION

- 4.1 On expiry of the current award, Henderson Loggie will have been in post for a period of 9 years. To ensure best practice, it is recommended that the contract goes out to tender.
- 4.2 For information, the incumbent is currently the Number 1 ranked provider on the APUC Audit and Tax Services framework PFB1040AP for Lots 2, 3 and 4.

5. SUPPORTING DOCUMENTATION/ FURTHER INFORMATION

- 5.1 Paper 25.27A – signed contract extension letter.

6. RISKS

- 6.1 The College must appoint a suitable independent internal audit service as part of the internal controls in its risk framework.

6 ANY OTHER SIGNIFICANT IMPACT e.g. STUDENT EXPERIENCE/ LEGAL / FINANCIAL/ EQUALITY& DIVERSITY.

- 6.1 The Financial Regulations require the College to have an effective internal audit service as part of the Financial Memorandum and there are financial implications based on the number of days utilised per year.

25/07/2024

Agenda Item 25.27A

Henderson Loggie
Company House No: S0301630
The Vision Building
20 Greenmarket
DUNDEE
DD1 4QB

E-mail: david.archibald@hlca.co.uk

Dear Sir/Madam

Contract Reference: CS/CoGC/21/11
Contract Title: The Provision of Internal Audit Services

I am writing to inform you, on behalf of Glasgow Clyde College, that the above contract will be extended for a further two years in accordance with the Contract Award Letter dated 27/07/2021.

The contract will continue and will expire no later than 31/07/2026.

Pricing shall remain fixed for the duration of the contract.

Please sign and return this letter return to procurement@glasgowclyde.ac.uk. Signature by you will act as confirmation of receipt of this contract extension letter and acknowledgement that the contract has been extended as set out in this letter.

Yours faithfully



Tracy Elliott
Interim Vice Principal: Resources and College Development

I acknowledge receipt of and acceptance of Glasgow Clyde College's notification of contract extension:

Signed for and on behalf of Henderson Loggie

Signature:



Position:

Partner

Name:

David Archibald

Date:

26 July 2024

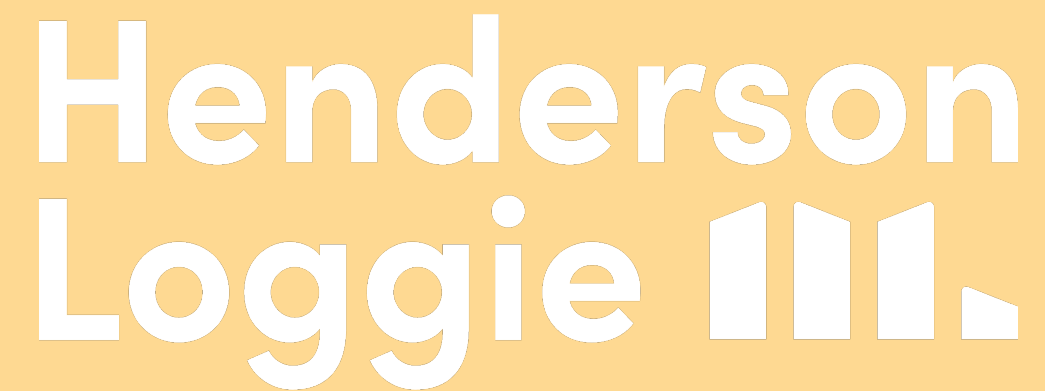
Jon Vincent - Principal and Chief Executive

Anniesland Campus ☐
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Global Internal Audit Standards in the UK Public Sector.

Effective from 1 April 2025

What's Changing?

- The GIAS came into force 9 January 2025 for all internal audit functions.
- GIAS is a new, globally consistent framework that aims to strengthen audit quality and governance and the position of Internal Audit in their organisations.
- From **1 April 2025**, the Public Sector Internal Audit Standards (PSIAS) will be replaced by the Global Internal Audit Standards (GIAS) in the UK Public Sector.
- The **GIAS in the UK Public Sector** consists of both the GIAS and the Application Note. The Application Note is used to tailor GIAS to public sector requirements.



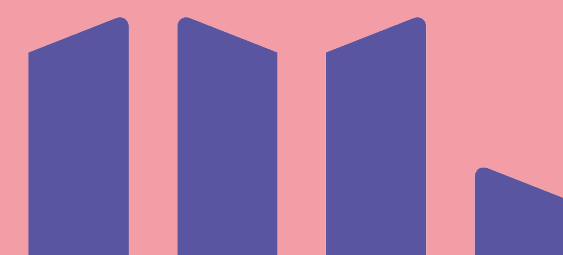
What's included?

Mandatory GIAS

- Five Domains that set the standards.
- 15 guiding principles that enable an effective IA function. Each principle has essential requirements to be adopted.
- Topical Requirements – will enhance consistency and quality of internal audits. IA must conform with the relevant topical requirements when the scope of an engagement includes one of the identified topics.
- Application Note sets how these are applied in UK public

Non mandatory GIAS

- Global practice guides (assurance & advisory services, engagement planning, financial service, fraud, etc)
- Global Technology Audit Guides (GTAG).



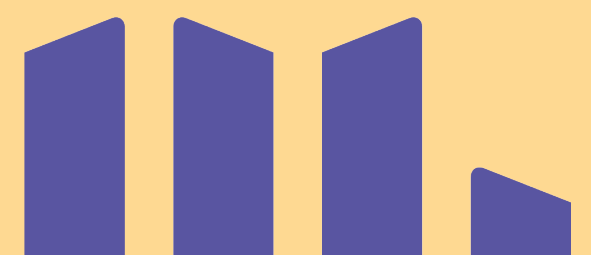
The Standards provide..

Greater Emphasis on Independence & Governance

- Greater positioning of Internal Audit an organisations through communicating its purpose and mandate.
- Clearer expectations on the Chief Audit Executive's (CAE's) role in maintaining independence.
- Reinforced guidance on direct reporting between Internal Audit & the Board.

Strengthened Ethical & Professional Requirements

- Auditors must formally adhere to the Nolan Seven Principles of Public Life & exhibit professional courage.
- CAEs must be professionally qualified & demonstrate significant public sector experience.



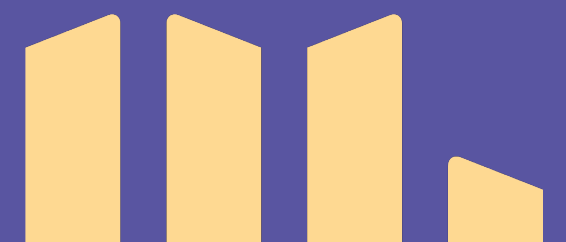
The Standards provide..

More Rigorous Annual Opinion Requirements

- CAEs must provide a more structured annual opinion, covering governance, risk management, & internal controls, highlighting trends & areas operating above the Board's risk appetite.

Tighter Quality Assurance Standards

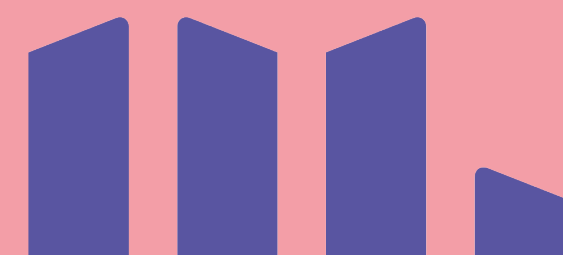
- Annual Peer-Led Internal Quality Assessments.
- External Quality Assessments (EQA) must now be carried out by assessors with equivalent CAE-level public sector experience at least every 5 years.



The Standards provide..

Updated Internal Audit Planning & Reporting criteria

- Greater alignment of audit plans to strategic objectives & risk priorities.
- More structured reporting requirements to governing bodies and stakeholders.



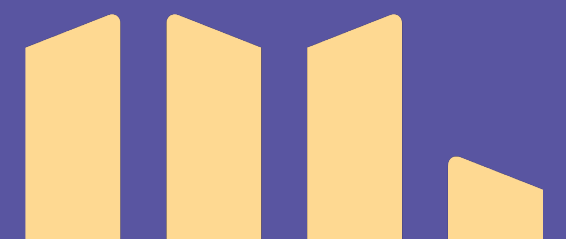
How does this impact on Audit Committees?

The introduction of the Global Internal Audit Standards (GIAS) in the UK Public sector brings several key changes to the role and responsibilities of Audit Committees within the UK public sector.

Effective from 1 April 2025, these changes aim to enhance governance, accountability, and the overall effectiveness of the internal audit process.

The Standards also set expectations for the Board, their Audit Committee and senior management, to champion the role of Internal Audit & ensure internal audit remains effective and independent.

Here are 8 key changes that you should know.....



1. Expanded Oversight Role

Before: Audit Committees primarily focused on overseeing the internal audit function's effectiveness, reviewing risk management processes, and ensuring compliance with regulations.

Now: Audit Committees are now tasked with a broader governance oversight role.

They will be responsible for ensuring internal audit supports the achievement of the organisation's strategic objectives, not just in its compliance with legislative or regulatory requirements, or financial reporting standards.

This includes the delivery of audits that focus on service delivery, performance management, public accountability, and the effective and efficient use of resources.



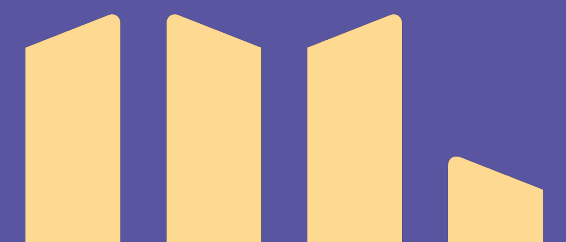
2. Increased Involvement in Strategic Decision-Making

Before: Audit Committees had limited involvement in strategic decision-making, primarily concerned with audit findings and risk outcomes.

Now: Audit Committees will now have a more active role in strategic decision-making.

They will need to engage more closely with senior management to ensure that internal audits are aligned with the organisation's strategic priorities and related risks to ensure that outcomes from audits help successful delivery of long-term plans.

This includes advising on areas where audit insights can improve decision-making and value for money.



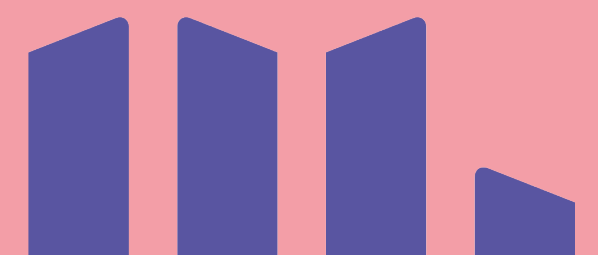
3. Enhanced Focus on Public Accountability

Before: The focus was largely on internal financial controls, risk management, and the effectiveness of audit processes.

Now: Audit Committees must now ensure that internal audits contribute to the organisation's public accountability.

This means ensuring that audits provide insights to the efficient and effective use of resources, in meeting the service outcome, the expectations of service users & funding bodies.

Audit Committees will need to focus on whether resources are being used effectively to deliver public value.



4. Broader Risk Management Framework

Before: Risk management focused on financial, operational, and compliance risks.

Now: The scope of risk management will expand to include environmental, social and governance (ESG) risks.

Audit Committees will need to oversee how the Internal Audit function addresses emerging risks to the organisation achieving its Net Zero goals, social and community impact, and corporate governance related concerns.

This will require more comprehensive risk assessments of their alignment with national public sector sustainability goals, which often in turn align to the United Nation's 17 Sustainability Development Goals (SDGs).



5. Value for Money & Service Delivery Focus

Before: The Audit Committee's role was centred on ensuring the financial efficiency & identifying operational & strategic risks.

Now: Audit Committees must ensure that audits support the delivery of value for money & service delivery.

They will be responsible for making sure that audits assess how well they are achieving the organisation's strategic objectives & delivering public services.

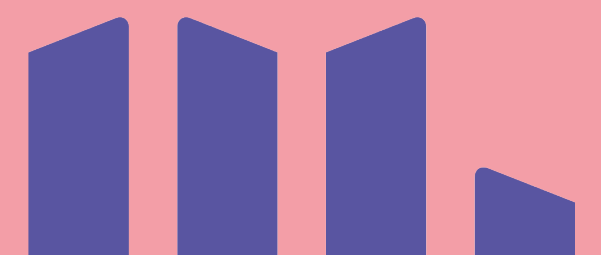
This includes ensuring that audits provide actionable insights to improve performance & better outcomes for service users.



6. Engagement with a Broader Range of Stakeholders

Before: In some organisations, the Audit Committee's role was largely limited to internal stakeholders, such as senior management, as well as External Audit.

Now: Audit Committees will need to engage with a wider range of stakeholders, including service users, so to distil audit findings and provide clarity on actions being taken. The aim being to promote public trust.

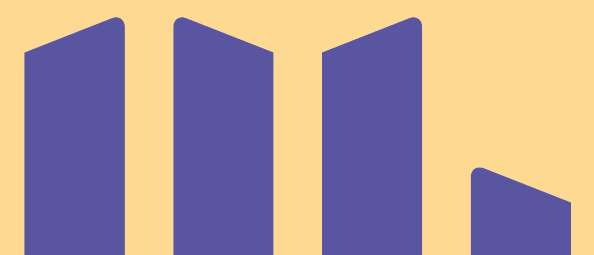


7. Increased Emphasis on Governance & Ethical Leadership

Before: While governance was important, the Audit Committee's focus was often limited to audit findings and control mechanisms.

Now: The Audit Committee's role will now encompass ensuring that Internal Audit functions are aligned with the ethical values and governance standards expected in the UK public sector.

Audit Committees will need to ensure that audit practices not only align with the GIAS in the UK Public Sector but also address the unique ethical and governance matters present in the UK public sector, such as compliance with ethical standards, conflicts of interest & transparency in the use of public funding.

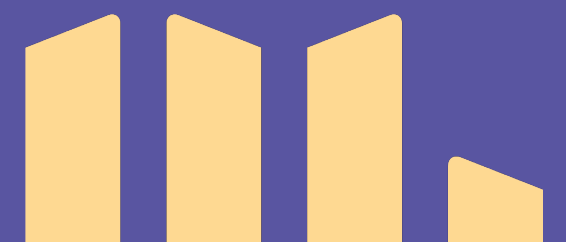


8. Engagement with External Auditors & Regulatory Bodies

Before: Audit Committees often interacted with External Auditors to discuss their audit findings and audit reports.

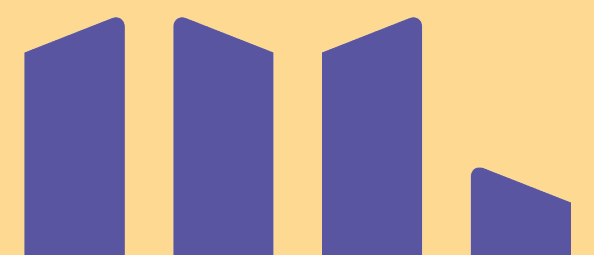
Now: The role of the Audit Committee now includes more active engagement with External Auditors, regulatory bodies, and other oversight mechanisms.

Audit Committees will need to ensure that there is a coherent approach to internal & external audit processes, including the management of any overlaps or gaps in audit coverage.



How can Audit Committees demonstrate conformance?

- . **Align** the Audit Committee's remit with Global Internal Audit Standards for the UK Public Sector.
- . **Reinforce independence** - the CAE must have direct functional reporting to the Board & Audit Committee.
- . **Drive impact** - Senior Management must ensure effective risk management & governance, acting on Internal Audit findings.
- . **Uphold integrity** - both Internal Audit & Senior Management must adhere to ethical standards.
- . **Enhance communication** - Internal Audit must deliver clear, risk-based recommendations to support decision-making and continuous improvement.
- . **Self-assess annually** - regularly evaluate the Audit Committee's effectiveness in conforming with the GIAS in the UK Public Sector.

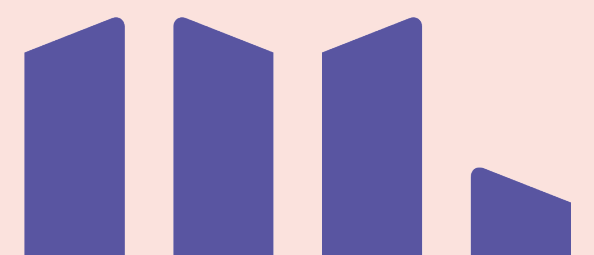


Strengthened Responsibilities

Audit Committees will be more than just oversight bodies - they will actively drive governance, risk management and improvements.

Audit Committees will play a bigger role in:

- Championing internal audit's work & ensuring its findings are acted upon.
- Facilitating direct access between Internal Audit & senior management.
- Promoting a culture of transparency, accountability, & good governance.



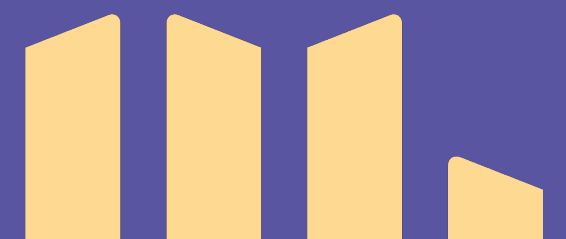
Compliant & Committed.

Our HL Internal Audit Team is prepared to lead with courage to deliver real value and assurance to your organisation.

We're proud that our readiness assessment indicates we fully align with the Global Internal Audit Standards (GIAS) and GIAS for the UK Public Sector.

We're ready to help you ensure **your** conformance to these new Standards.

Contact David.Archibald@hlca.co.uk



AUDIT COMMITTEE MEETING

Date of Meeting	28 May 2025
Paper Title	2024/25 External Audit Planning Memorandum
Action	For discussion
Prepared by	Peter Fee (Assistant Principal Finance and Facilities)
Agenda Item	25.30
Status	Disclosable

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this paper is to present to the Committee the 2024/25 External Audit Plan.

2. ACTION FOR THE BOARD

- 2.1 Committee Members are invited to review and discuss this paper.

3. BRIEF BACKGROUND INFORMATION

- 3.1 In preparation for the forthcoming external audit, the external auditors Audit Scotland have prepared the attached 2024/25 External Audit Plan.

4. SUPPORTING DOCUMENTATION/ FURTHER INFORMATION

- 4.1 Audit Scotland were appointed as the External Auditors of Glasgow Clyde College for a five-year period with effect from 1 August 2022 until 31 July 2027.

There are a number of areas covered within the plan which highlights the nature and scope of the audit work including the responsibilities and the auditor's planned approach. The key section of the plan is their considered risk areas for the audit and the section on the wider scope of the audit. In addition, the report indicates their timetable and planned fees. The 2024/25 External Audit Plan is attached at Annex 25.30A.

5. RISKS

- 5.1 There are no specific risks associated with this paper.

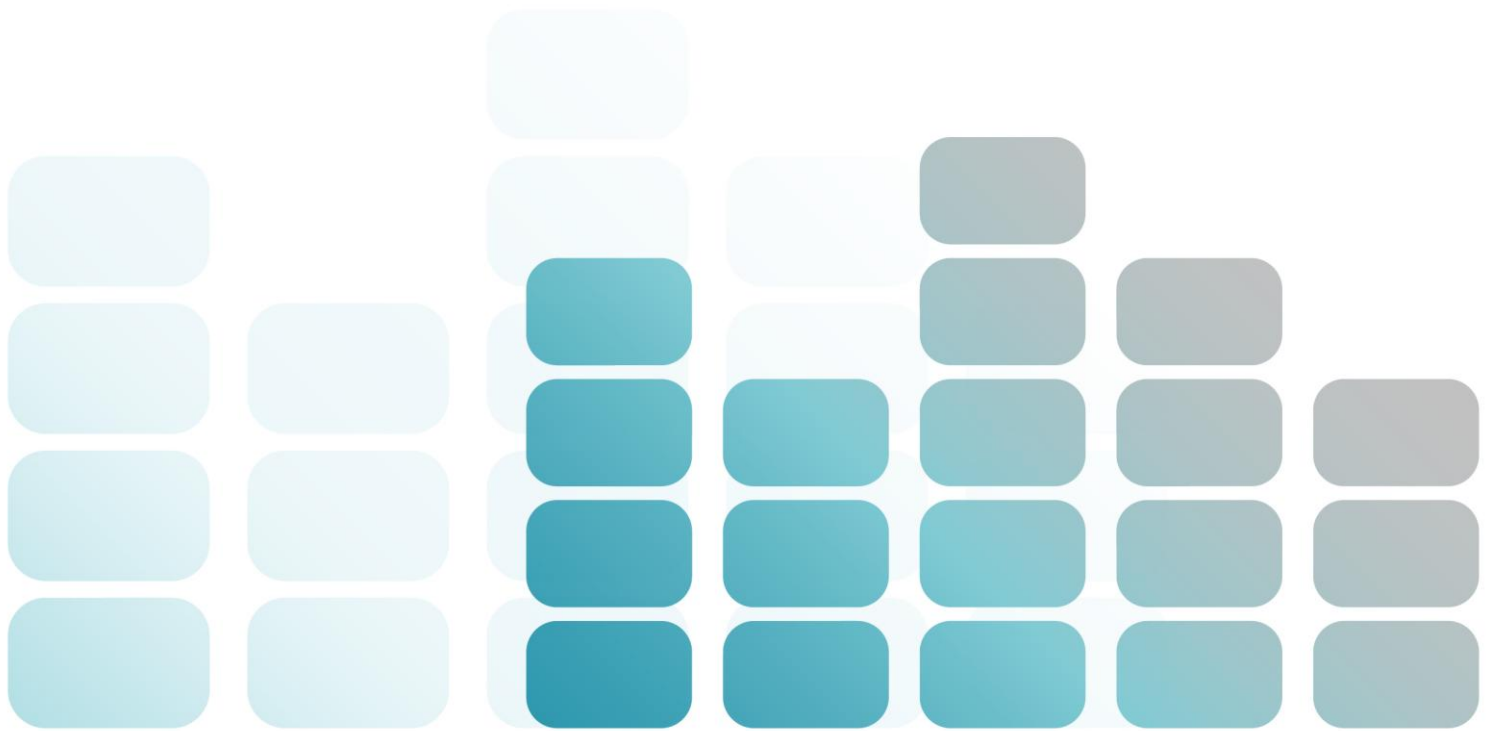
6. ANY OTHER SIGNIFICANT IMPACT e.g STUDENT EXPERIENCE/ LEGAL / FINANCIAL/ EQUALITY& DIVERSITY.

- 6.1 The College is required to have an internal audit function undertaken each year as part of the Financial Memorandum.

Glasgow Clyde College

Agenda Item 25.30A

Annual Audit Plan 2024/25



Prepared for Glasgow Clyde College
May 2025

Contents

Introduction	3
Audit scope and responsibilities	4
Audit of the annual report and financial statements	6
Wider scope and Best Value	10
Reporting arrangements, timetable and audit fee	12
Other matters	14

Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

Introduction

Purpose of the Annual Audit Plan

1. The purpose of this Annual Audit Plan is to provide an overview of the planned scope and timing of the 2024/25 audit of Glasgow Clyde College annual report and financial statements. It outlines the audit work planned to meet the audit requirements set out in [auditing standards](#) and the [Code of Audit Practice](#), including supplementary guidance.

Appointed auditor and independence

2. There is a change in the appointed auditor for Glasgow Clyde College this year. Lisa Duthie, Audit Director, has been appointed by the Auditor General for Scotland as the external auditor.

3. Lisa and the audit team are independent of Glasgow Clyde College in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. This standard imposes stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with ethical standards. The arrangements are overseen by the Executive Director of Innovation and Quality, who serves as Audit Scotland's Ethics Partner.

4. The Ethical Standard requires auditors to communicate any relationships that may affect the independence and objectivity of the audit team. There are no such relationships pertaining to the audit of Glasgow Clyde College.

Communication of fraud or suspected fraud

5. In line with ISA 240, in presenting this plan to the Audit Committee we seek confirmation from those charged with governance of any instances of actual, suspected or alleged fraud that should be brought to our attention. Should members of the committee or board have any such knowledge or concerns relating to the risk of fraud, we invite them to communicate this to the appointed auditor for consideration. Similar assurances will be sought as part of the audit completion process.

Audit scope and responsibilities

Scope of the audit

6. The audit is performed in accordance with the [Code of Audit Practice](#), including supplementary guidance, International Standards on Auditing (UK), and relevant legislation. These set out the requirements for the scope of the audit which includes:

- an audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement
- an opinion on statutory other information published with the financial statements in the annual report and financial statements, the Performance Report, and the Governance Statement, and an opinion on the audited part of the Remuneration and Staff Report
- conclusions on the Glasgow Clyde College's arrangements in relation to the wider scope areas: Financial Management, Financial Sustainability, Vision, Leadership, and Governance, and Use of Resources to Improve Outcomes
- reporting on Glasgow Clyde College's arrangements for securing Best Value
- provision of an Annual Audit Report setting out significant matters identified from the audit of the annual report and financial statements and the wider scope areas specified in the Code of Audit Practice.

Responsibilities

7. The Code of Audit Practice sets out the respective responsibilities of Glasgow Clyde College and the auditor. A summary of the key responsibilities is outlined below.

Auditor's responsibilities

8. The responsibilities of auditors in the public sector are established in the Public Finance and Accountability (Scotland) Act 2000. These include providing an independent opinion on the financial statements and other information reported within the annual report and financial statements, and concluding on Glasgow Clyde College's arrangements in place for the wider scope areas.

Glasgow Clyde College's responsibilities

9. Glasgow Clyde College has primary responsibility for ensuring proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enables it to successfully deliver its objectives. The features of proper financial stewardship include:

- establishing arrangements to ensure the proper conduct of its affairs
- preparation of an annual report and financial statements, comprising financial statements and other information that gives a true and fair view
- establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption
- implementing arrangements to ensure its financial position is soundly based
- making arrangements to secure Best Value
- establishing an internal audit function.

Audit of the annual report and financial statements

Introduction

10. The audit of the annual report and financial statements is driven by materiality and the risks of material misstatement in the financial statements, with greater attention being given to the significant risks of material misstatement. This chapter outlines materiality, the significant risks of material misstatement that have been identified, and the impact these have on the planned audit procedures.

Materiality

11. The concept of materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual report and financial statements.

12. Broadly, the concept of materiality is to determine whether matters identified during the audit could reasonably be expected to influence the decisions of users of the financial statements. Auditors set a monetary threshold when determining materiality, although some issues may be considered material by their nature. Therefore, materiality is ultimately a matter of the auditor's professional judgement.

13. The materiality levels determined for the audit of Glasgow Clyde College are outlined in [Exhibit 1](#).

Exhibit 1

2024/25 Materiality levels for Glasgow Clyde College

Materiality	Glasgow Clyde College
Materiality – based on an assessment of the needs of users of the financial statements and the nature of Glasgow Clyde College’s operations, the benchmark used to determine materiality is gross expenditure based on the audited 2023/24 financial statements. Materiality has been set at 2% of the benchmark.	£1.0 million
Performance materiality – this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate that further audit procedures are required. Using professional judgement, performance materiality has been set at 70% of planning materiality.	£0.7 million
Reporting threshold – all misstatements greater than the reporting threshold will be reported.	£50,000

Source: Audit Scotland

Significant risks of material misstatement to the financial statements

14. The risk assessment process draws on the audit team’s cumulative knowledge of Glasgow Clyde College, including the nature of its operations and its significant transaction streams, the system of internal control, governance arrangements and processes, and developments that could impact on its financial reporting.

15. Based on the risk assessment process, significant risks of material misstatement to the financial statements have been identified. [Exhibit 2](#) summarises the risks and the audit procedures we plan to perform to gain assurance.

Exhibit 2

Significant risks of material misstatement to the financial statements

Risk of material misstatement	Planned audit response
Fraud caused by management override of controls Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively. This is presumed to be a significant risk in every audit.	The audit team will: • Evaluate the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries. • Test journals entries, focusing on those that are assessed as higher risk, such as those affecting revenue and expenditure recognition around the year-end. • Evaluate significant transactions outside the normal course of business. • Assess changes to the methods and underlying assumptions used to prepare accounting estimates and assess these for evidence of management bias.
Estimation in the valuation of land and buildings Glasgow Clyde College held £161.6 million of property, plant, and equipment (PPE) at 31 July 2024, of which £158.3 million was land and building assets. Glasgow Clyde College is required to value land and building assets at existing use value where an active market exists for these assets. Where there is no active market, these assets are valued on a depreciated replacement cost (DRC) basis. As a result, there is a significant degree of subjectivity in these valuations which are based on specialist assumptions, and changes in the assumptions can result in material changes to valuations.	The audit team will: • Evaluate the design and implementation of controls over the valuation process. • Review the information provided to the valuer and assess this for completeness and accuracy. • Evaluate the competence, capabilities, and objectivity of the valuer. • Obtain an understanding of management's involvement in the valuation process to assess if appropriate oversight has occurred. • Review the appropriateness of the key data and assumptions used in the 2024/25 valuation process, and challenge these where required. • Review management's assessment that the value in the balance sheet of assets not subject to a valuation process in 2024/25 is not materially different to current value at the year-end, and challenge this where required.

Risk of material misstatement	Planned audit response
Estimation in the valuation of pension assets and liabilities Glasgow Clyde College had an unfunded pension liability of £1.7 million at 31 July 2024. The funded position was reported as nil in July 2024 due to the application of an asset ceiling as required by accounting standards. Glasgow Clyde College is a member of Strathclyde Pension Fund (SPF), which is a defined benefit pension scheme. SPF is subject to formal valuation every three years, and this sets out each member's share of the scheme's overall pension liability, and contributions for the next three years. The last formal valuation was carried out at 31 March 2024. An estimation of Glasgow Clyde College's share of the overall pension liability is required in each intervening year between formal valuations, and these are carried out by Hymans Robertson. There is a significant degree of subjectivity in the estimation of the pension liability as the estimation is based on specialist actuarial assumptions.	The audit team will: • Evaluate the design and implementation of controls over the pension liability estimation process. • Review the information provided to the actuary and assess this for completeness and accuracy. • Evaluate the competence, capabilities, and objectivity of the actuary. • Obtain an understanding of management's involvement in the estimation process to assess if appropriate oversight has occurred. • Review the appropriateness of the key data and assumptions used by management for the estimation of the pension liability, and challenge these where required. • Audit Scotland uses PwC as an auditor's expert to inform the planned audit procedures outlined above. Therefore, the audit team will also review the information provided by PwC and reflect this in the planned audit procedures where required.

Source: Audit Scotland

Key audit matters

16. The risk assessment process is an iterative and dynamic process. The assessment of risks set out in this Annual Audit Plan may change as more information and evidence is obtained over the course of the audit. Where such changes occur, these will be reported to Glasgow Clyde College and those charged with governance, where relevant.

17. The Code of Audit Practice requires public sector auditors to communicate key audit matters. Key audit matters are those matters, that in the auditor's professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit. The matters determined to be key audit matters will be communicated in the Annual Audit Report.

Wider scope and Best Value

Introduction

18. Reflecting the fact that public money is involved, the Code of Audit Practice requires that public audit is planned and undertaken from a wider perspective than in the private sector. The wider scope audit set out by the Code of Audit Practice broadens the audit of the annual report and financial statements to include consideration of additional aspects or risks in four wider scope areas, which are summarised below:

- **Financial Management** – this means having sound budgetary processes. Factors that can impact on Glasgow Clyde College being able to secure sound financial management include the strength of the financial management culture, accountability, and arrangements to prevent and detect fraud, error and other irregularities, bribery and corruption.
- **Financial Sustainability** – this means looking forward over the medium and longer term in planning the services to be delivered and how they will be delivered effectively. This is assessed by considering Glasgow Clyde College's medium- to longer-term planning for service delivery. This will include a review of the action taken to identify solutions to address known funding pressures that exist in 2025/26 and beyond.
- **Vision, Leadership and Governance** – this means having a clear vision and strategy, with set priorities within the vision and strategy. This is assessed by considering the clarity of plans in place to deliver the vision and strategy and the effectiveness of the governance arrangements to support delivery.
- **Use of Resources to Improve Outcomes** – this means using resources to meet stated outcomes and improvement objectives through effective planning and working with partners and communities. This is assessed by considering Glasgow Clyde College's arrangements for ensuring resources are deployed to improve strategic outcomes, meet the needs of service users, and deliver continuous improvement.

19. A conclusion on the effectiveness and appropriateness of arrangements Glasgow Clyde College has in place for each of the wider scope areas will be reported in the Annual Audit Report.

Duty of Best Value

20. The [Scottish Public Finance Manual](#) (SPFM) explains that Accountable Officers have a specific responsibility to ensure that arrangements have been made to secure Best Value. [Best Value in public services: guidance for Accountable Officers](#) is issued by Scottish Ministers and sets out their duty to ensure that arrangements are in place to secure Best Value in public services.

21. Consideration of the arrangements Glasgow Clyde College has in place to secure Best Value will be carried out alongside the wider scope audit, and a conclusion on the adequacy of these will be reported in the Annual Audit Report.

22. Auditors may also carry out specific audit work covering the seven Best Value characteristics set out in the SPFM. The risk assessment process did not identify a need to carry out specific audit work on any of the characteristics. However, auditors are required to carry out a review of the 'fairness and equality' characteristic at least once during the audit appointment, and this was carried out during the 2023/24 audit.

Reporting arrangements, timetable and audit fee

Audit outputs

23. The outputs from the 2024/25 audit include:

- this Annual Audit Plan
- an Independent Auditor's Report to Glasgow Clyde College, the Auditor General for Scotland, and the Scottish Parliament setting out opinions on the annual report and financial statements
- an Annual Audit Report to Glasgow Clyde College and the Auditor General for Scotland setting out significant matters identified from the audit of the annual report and financial statements, conclusions from the wider scope and Best Value audit, and recommendations, where required.

24. The matters to be reported in the outputs will be discussed with Glasgow Clyde College for factual accuracy before they are issued. All outputs from the audit will be published on Audit Scotland's website, apart from the Independent Auditor's Report, which is included in the audited annual report and financial statements.

25. Target dates for the audit outputs are set by the Auditor General for Scotland. In setting the target dates for the audit outputs, consideration is given to the target date for approving the annual report and financial statements, which is 31 December 2025 for colleges.

26. The Independent Auditor's Report and Annual Audit Report are planned to be issued by the target date of 31 December 2025.

Audit timetable

27. Achieving the timetable for production of the annual report and financial statements, supported by complete and accurate working papers, is critical to delivery of the audit to agreed target dates. [Exhibit 3](#) includes a timetable for the audit, which has been agreed with management. Agreed target dates will be kept under review as the audit progresses, and any changes required, and their potential impact, will be discussed with Glasgow Clyde College and reported to those charged with governance, where required.

Exhibit 3

2024/25 audit timetable

Audit activity	Target date
Submission of unaudited annual report and financial statements and all working papers to audit team Spreadsheet to be provided by 22 September 2025	29 September 2025
Latest date for audit clearance meeting	7 November 2025
Issue of draft Letter of Representation, proposed Independent Auditor's Report, and proposed Annual Audit Report	18 November 2025
Agreement of audited and unsigned annual report and financial statements	18 November 2025
Consideration of proposed Annual Audit Report and audited annual report and accounts by those charged with governance	26 November 2025
Approval and signing of audited annual report and accounts	17 December 2025
Certification of Independent Auditor's Report and issue of Annual Audit Report	18 December 2025

Source: Audit Scotland

Audit fee

28. Glasgow Clyde College's audit fee is determined in line with Audit Scotland's fee setting arrangements. The audit fee for the 2024/25 audit is £65,430.

29. In setting the audit fee, it is assumed that Glasgow Clyde College has effective governance arrangements in place and the complete annual report and financial statements will be provided for audit in line with the agreed timetable. The audit fee assumes there will be no significant changes to the planned scope of the audit. Where the audit cannot proceed as planned, for example, due to incomplete or inadequate working papers, the audit fee may need to be increased.

Other matters

Internal audit

30. Glasgow Clyde College is responsible for establishing an internal audit function as part of an effective system of internal control. As part of the audit, the audit team will obtain an understanding of internal audit, including its nature, responsibilities, and activities.

31. While internal audit and external audit have differing roles and responsibilities, external auditors may seek to rely on the work of internal audit where it is considered appropriate. A review of internal audit's 2024/25 audit plan was carried out to identify if there were any areas where the audit team could rely on its work. The audit team concluded it will not rely on internal audit's work. However, the audit team will review internal audit's reports and assess if there is any impact on the audit.

Audit quality

32. Audit Scotland is committed to the consistent delivery of high-quality audit. Audit quality requires ongoing attention and improvement to keep pace with external and internal changes. Details of the arrangements in place for the delivery of high-quality audits is available from the [Audit Scotland website](#).

33. The International Standards on Quality Management (ISQM) applicable to Audit Scotland for 2024/25 audits are:

- ISQM (UK) 1, which deals with an audit organisation's responsibilities to design, implement, and operate a system of quality management (SoQM) for audits. Audit Scotland's SoQM consists of a variety of components, such as: governance arrangements and culture to support audit quality, compliance with ethical requirements, ensuring Audit Scotland is dedicated to high-quality audit through engagement performance and resourcing arrangements, and ensuring there are robust quality monitoring arrangements in place. Audit Scotland carries out an annual evaluation of its SoQM and has concluded it complies with this standard.
- ISQM (UK) 2, which sets out arrangements for conducting engagement quality reviews, which are performed by senior management not involved in an audit, to review significant judgements and conclusions reached by the audit team, and the appropriateness of proposed audit opinions on high-risk audits.

34. To monitor quality at an individual audit level, Audit Scotland carries out internal quality reviews on a sample of audits. Additionally, the Institute of Chartered Accountants of England and Wales (ICAEW) carries out independent quality reviews on a sample of audits.

35. Actions to address deficiencies identified by internal and external quality reviews are included in a rolling Quality Improvement Action Plan, which is used to support continuous improvement. Progress with implementing planned actions is monitored on a regular basis by Audit Scotland's Quality and Ethics Committee.

36. Audit Scotland may periodically seek the views of Glasgow Clyde College on the quality of audit services provided. The audit team would also welcome feedback at any time.

Glasgow Clyde College

Annual Audit Plan 2024/25



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
Phone: 0131 625 1500 **Email: info@audit.scot**
www.audit.scot

Glasgow Clyde College Audit Committee Schedule of Work 2024/25

Four meetings in each annual academic session

Note: College staff to update matters arising action grid as prepared by Board Clerk

2 OCTOBER 2024
For Discussion / Decision
Systems of Internal Control
Internal Audit Reports • 2023/24 Follow Up Reviews • 2023/24 Progress Report
Internal Audit Plan for 2024/25 and beyond
Governance and Risk Management
College Strategic Risk Register
Data Protection Update
Annual Review of Policy 2.4 Anti Bribery Fraud and Corruption (Approved at Board)
Financial Reporting
External Auditor Update Verbal / Paper (Optional)
For Information/ Noting
Internal & External Audit Rolling Action Plan
Updates from Scottish Funding Council, for example the Financial Memorandum
Audit Committee Schedule of Work

20 NOVEMBER 2024 (Langside)
For Discussion / Decision
Systems of Internal Control
Final Internal Audit Annual Report 2023/24
Financial Reporting
Draft Annual Financial Statements for year ending 31 July 2024
External Audit Annual Report for year ending 31 July 2024
External Auditor Update Verbal / Paper (Optional)

Key Accounting Judgements (incl report on going concern)
Student Activity Data Audit Annual Report 2023/24
Student Support Funds Audit Annual Report 2023/24
Financial reporting, verbal update from External Auditor
Risk Appetite
Governance and Risk Management
Committee Remit Update
Draft Annual Report from Audit Committee to Board of Management
College Strategic Risk Register
Cyber Security Update
For Information/ Noting
Internal and External Audit Rolling Action Plan
Strathclyde Pension Fund Actuarial Valuation Report – Accounting Assumptions
Updates from SFC (if available)
Audit Scotland Report: Scotland's Colleges (Annual Report)
Audit Committee Schedule of Work

5 MARCH 2025 Online
For Discussion/ Decision
Systems of Internal Control
Internal Audit Reports as per Plan
Internal Audit 2024/25 Plan Progress
Governance and Risk Management
College Strategic Risk Register
Data Protection Update
Financial Reporting
External Auditor Update Verbal / Paper (Optional)
For Information/Noting
College Assurance Framework Update
Internal & External Audit Rolling Action Plan
Audit Scotland Fees
Updates from SFC (if available)
Audit Committee Schedule of Work

Private meeting with internal and external auditors

28 MAY 2025 Online
For Discussion/Decision
Systems of Internal Control
Internal Audit Reports as per Plan
Internal Audit Plan 2024/25 Progress
Draft Internal Audit Plan for 2025/26
College Assurance Framework/Certificate of Assurance
Financial Reporting
External Audit Planning Memorandum
External Auditor Verbal / Paper (Optional)
Approval of Accounting Policies
Governance and Risk Management
College Strategic Risk Register
Fraud Response Plan
Cyber Security Update
For Information/Noting
The updated College Assurance Framework & Certificate of Assurance
Internal & External Audit Rolling Action Plan
Updates from SFC (if available)
Audit Committee Schedule of Work
Appointment of Internal Auditor
Appointment of Internal Auditor (If applicable) (Committee members and staff only)

Glasgow Clyde College Board May 2025

	BOARD MEMBERS	Membership	Start Date	Re-appoint	End Date	Committees
1	David Newall (Chair)	Non-Executive	8-Oct-15	Jul-24	Jul-28	N&G* / F&R / Rem
2	Maureen McKenna	Non-Executive	1-Aug-22		31-Jul-26	L&T* / Rem
3	Alan O'Donnell	Non-Executive	7-Nov-19	18-Dec-23	6-Nov-27	L&T
4	Martina Tuskova	Student President	21-Aug-23		31-Aug-25	F&R / Audit
5	Mursal Noori	Student Vice-President	21-Aug-24		31-Aug-25	O&D
	Madeeha Kanwal	Student President	1-Sept-25		31-Aug-26	TBC
	TBC	Student Vice-President	1-Sept-25		31-Aug-26	TBC
6	Rena McAdam	Staff	8-Sep-23		7-Sep-27	N&G / Audit
7	Ros Micklem	Non-Executive	1-Aug-23		31-Jul-27	OD
8	Jon Vincent	College Principal	0	0		OD / F&R
9	Fergus Brown	Non-Executive	1-Aug-23		31-Jul-27	Rem / N&G / OD*
10	Lindsey Paterson	Non-Executive	26-Jan-21	25-Jan-25	24-Jan-29	Rem / N&G / Audit*
11	Margaret Swiderska	Non-Executive	26-Jan-21	25-Jan-25	24-Jan-29	Rem / F&R*
12	Stuart Porteous	Non-Executive	1-Aug-23		31-Jul-27	Audit
13	Michael Payne	Non-Executive	19-Dec-17	18-Dec-21	18-Dec-25	Audit
14	Runa McNamara	Non-Executive	7-Nov-19	18-Dec-23	6-Nov-27	L&T
15	Kathleen Sweeney	Non-Executive	1-Aug-23		31-Jul-27	F&R

	BOARD MEMBERS	Membership	Start Date	Re-appoint	End Date	Committees
16	Morven Gourlay	Staff	1-Jun-24		31-May-28	L&T
17	Anna Magiera	Trade Union	1-Jun-24		31-May-28	F&R
18	David Duncan	Non-Executive	1-Aug-24		31-Jul-29	Rem*
19	Gavin Lee	Non-Executive	1-Aug-24		31-Jul-29	F&R
20	Keith Larson	Trade Union	26-Nov-24		25-Nov-28	OD

Recently Stood Down

Lindsay Devanney	Trade Union	1-Jun-24		26-Nov-24
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Term Ending Soon

Martina Tuskova	Student President	21-Aug-23		31-Aug-25	F&R / Audit
Mursal Noori	Student Vice-President	21-Aug-24		31-Aug-25	O&D / L&T
Michael Payne	Non-Executive	19-Dec-17	18-Dec-21	18-Dec-25	Audit

**Chair of Committee*

L&T = Learning & Teaching; Rem = Remuneration; N&G = Nominations and Governance; F&R = Finance and Resources; OD = Organisational Development