Glasgow Clyde College

2015/16 Student Activity Data

Internal Audit Report No: 2016/09

Draft Issued: 18 October 2016
2nd Draft Issued: 26 October 2016
Final Issued: 8 November 2016

Contents

1. Management Summary

Introduction

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

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

The Credits Audit Guidance requests that colleges obtain from their auditors their independent opinion on the accuracy of the FES return.

Scope of Audit

In accordance with the Credits Audit Guidance we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by dominant programme group (DPG).

Our testing was designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to Credits Audit Guidance and the key areas of risk identified in Annex D.

Audit Staffing

An Audit Director with 23 years' experience in the further and higher education sectors had overall responsibility for the planning, control and conduct of the audit and supervised and reviewed work performed by an Assistant Manager, Qualified Auditor and Audit Trainee with 11, three and one years' experience in the sector respectively. The Audit Partner was responsible for the overall management of the audit and ensuring that the firm's quality standards were met.

The quality of audit work undertaken by the firm is enhanced through continuous review of procedures and the implementation of individual training programmes designed to address the needs of each team member.

The total number of audit days was seven, split one day for the Audit Director, one day for the Assistant Manager, three days for the Qualified Auditor and two days for the Audit Trainee.

Audit Findings

The points that we would like to bring to your attention have been grouped together under the following headings to aid your consideration of them:

- Introduction

- Systems and Procedures for Compilation of Returns

- Analytical Review

The action that we consider necessary on each issue is highlighted in the text for clarity and an action plan for implementation of these recommendations can be found in section 2.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

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

Conclusion

Our report to SFC was submitted on the deadline date of 14 October 2016. We reported that, in our opinion:

- the student data returns have been compiled in accordance with all relevant guidance;

- adequate procedures are in place to ensure the accurate collection and recording of the data; and

- on the basis of our testing we can provide reasonable assurance that the FES return contains no material mis-statement.

A copy of our Audit Certificate is included at Appendix I to this report.

Acknowledgements

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

2. Action Plan

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

3. Main Report

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1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 12 August 2016 sets out, at Annex D, the key areas of risk in relation to the preparation of the FES return. These are:

- identification of non-fundable activity, both courses and students;

- classification as higher education or further education;

- classification as full-time or other than full-time;

- identification and counting of infill students;

- allocation of Dominant Price Group code;

- capturing of enrolments and identification and recording of student attendance and withdrawals;

- allocation of Credit values;

- claims for related study;

- identification of students experiencing learning difficulties;

- recording of fee waivers;

- recording of progress for students on open / distance learning programmes; and

- claims for collaborative provision.

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

1.1.3 We documented, through discussion with College staff, the procedures used in the compilation of the returns. We then carried out detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily. Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by dominant programme group (DPG).

1.1.4 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; the extent of checking undertaken; the external data examined; an indication of analytical review work performed; review of prior year recommendations; and the main findings from our audit work. As requested by the guidance, the report includes a summary of adjusted and unadjusted errors found during the course of the audit.

2. Systems and Procedures for Compilation of Returns

2.1 Introduction

2.1.1 Detailed testing at the year-end Credits audit included two main tests on courses and individual students.

2.1.2 The following tests were carried out for a sample of 15 courses selected from the UNITe system:

a) Ensured that the course met the criteria for fundable activity set out in the Credits guidance;

b) Where applicable, ensured that the course met the definition of further or higher education set out in the Credits guidance;

c) Ensured that courses recorded as full-time met the definition of full-time set out in the Credits guidance;

d) Checked the student total for a programme against course / class lists or course / class register. Checked calculation of the required date and ensured that students who had withdrawn prior to this date had been excluded from the Credits count; and

e) Checked allocation of Credits to courses is in accordance with the Credits guidance.

2.1.3 For a total of 67 students selected from the above courses the following tests were carried out, where applicable:

a) Ensured that the student met the criteria for fundable activity set out in the Credits guidance;

b) Checked back to signed enrolment forms, or electronic equivalent, for the 2015/16 academic year;

c) For infill courses, ensured that Credits were allocated according to the modules attended by individual students rather than by the default value for the courses being infilled;

d) Checked to student attendance records and, for withdrawals (including a sample of 15 full-time students who withdrew within two weeks after the Credits qualifying date), checked that the withdrawal date noted on the system was the last date of physical attendance; and

e) For Extended Learning Support (ELS) and Price Group 5 (DPG 18) students checked that a Personal Learning Support Plan (PLSP) had been drawn up in conjunction with the student, to identify additional support, and checked for evidence that it had been kept under regular review throughout the period of study.

2.1.4 The following tests were carried out by reviewing records for all College courses:

a) Sought to ensure that there were no claims for more than one full-time enrolment per student for 2015/16 and ensured that Credits had not been claimed in respect of courses that were related in respect of subject area, unless progression could be clearly established;

b) Confirmed that ELS Credits had not been claimed for students attending Price Group 5 courses; and

c) Confirmed that Credits had not been claimed for distance learning students resident outwith Scotland.

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

2.1 Introduction (Continued)

2.1.5 In relation to European Social Funds (ESF), for a sample of 10 students selected from the College's ESF funded programmes testing was carried out on the College's systems for administering the additional funding, in line with conditions of grant. This included:

a) reviewing the eligibility of students flagged for ESF credits;
b) ensuring that supporting documentation was held for ESF students, including: a completed enrolment form; a completed participant form; proof of nationality; proof of permanent residence; and appropriate notification issued to the student; and
c) ensuring that Credits are only claimed for completed modules.

2.1.6 We reviewed the systems for recording fee waiver entitlement and carried out an analytical review to ensure the accuracy of the fee waiver element of the FES return. For a random sample of five part-time students we confirmed that College staff had verified the entitlement to benefit.

2.1.7 It was confirmed by the Head of MIS that the College is not involved in any collaborative provision and no such courses were identified during our audit testing. No further work was therefore required in this area.

2.1.8 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors. We noted that the error report flagged up 13 students where more than one full-time course had been claimed in the academic year. We established that these students were originally on one full-time course and one part-time course. The part-time course was subsequently reclassified as full-time as the enrolment was worth 12 Credits and therefore met the definition of full-time for an advanced course per the Credits guidance. The total number of Credits for the second course was 158. We understand that the SFC has accepted this claim for 2015/16 academic year.

2.1.9 From our review and testing of the systems and procedures used in the compilation of the returns, we concluded that overall, they were adequate to minimise risk in the areas identified in Annex D of the Credits Audit Guidance and were working satisfactorily as described to us.

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

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

2.2 Credits Value

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

2.3 Additional Educational Support Needs

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

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

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

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

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

3.   Analytical Review

3.1   As part of the College's internal processes the MIS team converted the 2014/15 student activity data, which was previously reported as SUMs, into the Credits equivalent which was then measured against the Credits activity in 2015/16. As part of our audit we performed an analytical review of the Credits data in both years at Appendix III which showed significant variances in DPG 4, 8, 14, 15 and 18. These were discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:

- DPG 4 Computers, software & information – there was stronger recruitment and retention in HN Computing in academic year 2015/16 than in academic year 2014/15. The increase in Credits was also due to further post-merger standardisation of options, including additional vendor qualifications, across the different campuses;

- DPG 8 Health & related studies – there were a range of reasons for a reduction in this area. There was delivery planned (one class group each) in each of HNC Care & Administrative Practice; the College decided to move more Vocational Training Charitable Trust (VTCT) courses to a commercial basis; and a change in subject delivery caused automatic re-categorisation of two programmes from this area to that of Social work (DPG 15);

- DPG 14 Social studies & languages – there has been a significant planned reduction in the College's general education provision at both NQ and Higher level, covering a range of subjects many of which fell within this category. There has also been a movement through changes in subject delivery causing re-categorisation of a number of childcare courses from Social studies to Social work (DPG 15). Finally, some of the January start courses offered were assessed as recruiting learners requiring additional support and categorised as DPG 18;

- DPG 15 Social work – there has been a planned increase in this range of courses in line with the Glasgow Region Curriculum & Estates Review. There has also been an increase through the automatic re-categorisation of a number of childcare courses from Social studies (DPG 14) to Social work; and

- DPG 18 Special educational needs – there has been a review of the level of support provided for students in a range of courses leading to re-categorisation of some, mainly January SCQF Level 4 courses, from other categorisations to DPG 18 (refer DPG 14 explanation above).

Appendix I – Copy of Audit Certificate

cbw/si/G366

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

14 October 2016

Dear Sirs

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

We have audited the FES return which has been prepared by Glasgow Clyde College under the 'Credits' Guidance issued 19 May 2015 and which has been confirmed as being free from material mis-statement by the College's Depute Principal in her Certificate dated 14 October 2016. We conducted our audit in accordance with guidance contained in the 2015-16 audit guidance for colleges. The audit included an examination of the procedures and controls relevant to the collection and recording of student data. We evaluated the adequacy of these controls in ensuring the accuracy of the data. It also included examination, on a test basis, of evidence relevant to the figures recorded in the student data returns. We obtained sufficient evidence to give us reasonable assurance that the returns are free from material mis-statement.

In our opinion:

- the student data returns have been compiled in accordance with all relevant guidance;

- adequate procedures are in place to ensure the accurate collection and recording of the data; and

- on the basis of our testing we can provide reasonable assurance that the FES return contains no material mis-statement.

Yours faithfully

Henderson Loggie

Date: 14 October 2016

Appendix II – Summary of Adjusted and Unadjusted Errors

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

College Funded Target 2015/16   128,044 Credits
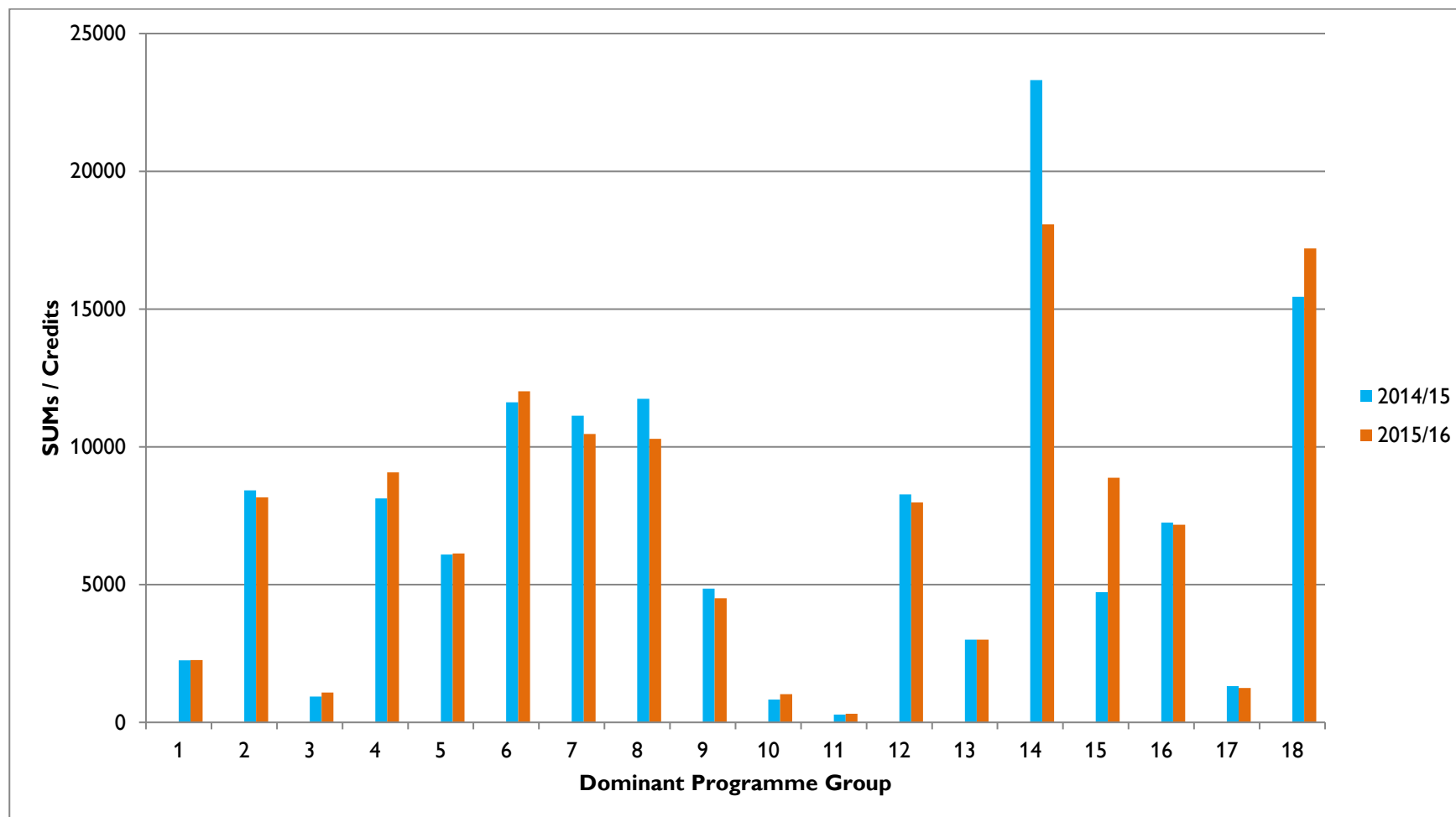
The above target figure includes 123,561 core Credits and 4,483 ESF.

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

Final claimed 2015/16   128,872 Credits

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

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

HENDERSON LOGGIE
Chartered Accountants

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

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

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

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

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

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

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

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