

Audit & Risk Committee - Action and Decision Log
Meeting No 41 – 10 October 2023

(Paper 1a)

Meeting Date	Agenda Item	Reference	Details	Action Owner	Due Date	Action Decision	Open Complete Approved Declined
14/03/2023	Internal Audit – Wylie & Bisset - Internal Audit Report 2022-23 – Safeguarding & Child Protection	ARC39: A01	A glossary of the key policies examined, including their version number, to be included in future reports from Wylie & Bisset	J Thomson / Wylie & Bisset	06/03/2023	Action	Complete
06/06/2023	Internal Audit Report 2022-23 – Fraud Awareness	ARC40: A01	J Thomson to extract the Fraud, Theft and Bribery section of the Financial Regulations to a separate document, inclusive of date and version number, which will be accessible to staff.	J Thomson	07/06/2023	Action	?
06/06/2023	External Audit Annual Plan 2022-23	ARC40: D01	The Committee approved the External Audit Annual Plan 2022-23, including the proposed Audit Fee.	NA	NA	Decision	Approved
06/06/2023	2022-23 Corporate Risk Register (V4) as at June 2023	ARC40: D02	The Committee recommended 2022-23 Corporate Risk Register (V4) as at June 2023 to the Board for approval.	NA	NA	Decision	Approved

Ayrshire College

Audit and Risk Committee Terms of Reference 2023-24

Introduction

The Audit and Risk Committee is identified as a Committee of the Ayrshire College Board of Management. The approved Terms of Reference and information on the composition and frequency of the Committee will be considered as an integral part of the College Standing Orders.

The Committee is a Standing Committee of the Board of Management. For the purposes of the Terms of Reference, unless otherwise indicated, 'the Board' means the Ayrshire College Board of Management.

Remit

The Committee will be responsible for overseeing and providing assurance to the Board on all matters related to the external audit, internal audit and risk management of the College and provide assurance to the Board that the requirements of the Code of Audit Practice published by Audit Scotland are observed along with all other relevant regulations and legislation. The Committee will have a particular engagement with internal and external audit, financial reporting issues and corporate risk management.

Committee Membership

The Committee membership shall consist of a minimum of four non-executive Board members who shall be independent and objective in terms of their Audit and Risk Committee function and, in line with good practice, will not include either the Principal or the Chair of the Board.

At least one member of the Audit and Risk Committee must have recent relevant financial or audit experience.

Committee members are all recommended to complete the College Development Network online training module College Audit Committees.

The Committee Chair will be appointed by the Board.

Committee membership will be reviewed annually by the Board.

Quorum

50% of the total membership of the Committee will constitute a quorum.

Attendance

The Committee may co-opt additional individuals as appropriate. Details of proposed co-opted individuals will be notified to the Chair of the Board in advance. The role, remit, and term of membership of co-opted individuals will be determined by the Committee.

External and Internal Auditors shall normally attend meetings and will be invited to all meetings.

The Vice Principal responsible for Finance, the Assistant Principal of Finance, Student Funding and Estates and, where appropriate, other staff will be invited to attend meetings of the Committee to provide information and reports as appropriate.

Meetings

The Committee shall normally meet on a quarterly basis but shall meet on a minimum of three occasions per annum.

Any member of the Committee may request to convene additional meetings of the Committee as and when required by giving a minimum of ten working days' notice to the Board Governance Professional to call a meeting.

The Committee Chair will instruct the Board Governance Professional to call meetings of the Committee. The agenda and supporting papers will normally be sent made available to members at least five working days before the day of the meeting.

The Committee may meet privately without any non-members (with the exception of the Board Governance Professional) for all or part of a meeting if they so decide.

The Committee will normally meet with the external and internal auditors annually without any non-members (with the exception of the Board Governance Professional) being present.

Duties

- To agree Strategies within the Committee's overall remit subject to Board of Management approval.
- Reviewing and advising the Board of Management on the effectiveness of the College's financial and other internal Control Systems.
- Reviewing and advising the Board of Management on corporate governance requirements.
- Reviewing and advising the Board of Management on the effectiveness of the College risk management procedures, the presentation of the Ayrshire College Corporate Risk Register and the maintenance of an appropriate balance between risk and opportunity
- Appointing the College's Internal Auditors on a contractual basis and agreeing on the terms of reference for an audit service.
- Reviewing the scope and effectiveness of the work of the internal and external auditor using appropriate performance indicators.
- Considering issues raised in audit reports, annual management letter and reporting to the Board of Management on action required.

- Considering the College's annual financial statements and external auditor's report prior to submission to the Board of Management by the Business, Resources, and Infrastructure Committee. Recommending to the Board the adoption of the audited Annual Accounts.
- Agreeing an internal and external audit plan.
- Advising the Board of Management on internal and external value for money reviews which secure the effective use of College resources.
- Preparing an Annual Report to the Board of Management on the work of the Audit Committee which will then be submitted to the Scottish Funding Council.
- Reviewing reported cases of impropriety to establish whether they have been appropriately handled.
- Agreeing the fees of Internal and External Auditors.
- At each meeting receive and consider the rolling Ayrshire College Corporate Risk Register and comment accordingly to the Board of Management.
- The consideration and approval of the Ayrshire College Business Continuity Plan on an annual basis.

Authority

The Committee is authorised to investigate any matters which fall within its Terms of Reference.

The Committee is authorised to seek and obtain any information it requires from any senior manager or employee of the College, its advisors or member of the Ayrshire College Board of Management whilst taking account of policy and legal rights and responsibilities.

Reporting Arrangements

At the end of each meeting, the Committee may further decide on the business of the meeting that will be fully published on the College website, should this differ from that recorded on the meeting agenda. Unless otherwise recorded, it would be expected that complete minutes and papers will be published: except where the exclusions listed in paragraph 2.8 of these Standing Orders apply.

Minutes will be kept of the proceedings of the Committee by the Board Governance Professional. These will be circulated, in draft form normally within ten working days to the appropriate senior leadership representatives for checking and then to the Chair of the Committee for consideration. It is expected that minutes will be checked timeously, and any amendments advised to the Board Governance Professional.

The Chair of the Committee shall report on the work and recommendations of the Committee to the next scheduled Board meeting for information/approval and submit confirmed Committee minutes to the first meeting of the Board immediately following their approval.

Audit and Risk Committee Work Plan 2023-24

October	November	March	June
2023-24 Terms of Reference and Work Plan	2022-23 Financial Statements		
	2022-23 Letter to SAAS Covering Internal Audit of Discretionary Funds Return		
	2022-2023 Credit Data Return Internal Audit Report		
	2022-23 Audit Committee Chair's Draft Annual Report		
2023-24 Internal Audit Reports	2023-24 Internal Audit Reports	2023-24 Internal Audit Reports	2023-24 Internal Audit Reports
	2022-23 Internal Audit Annual Report		
2023-24 Internal Audit Progress Report	2023-24 Internal Audit Progress Report (October 2023)	2023-24 Internal Audit Progress Report (Feb 2024)	2023-24 Internal Audit Progress Report
2022-23 Internal Audit Rolling Action Plan at Sept 2023	Internal Audit Rolling Action Plan at October 2023	Internal Audit Rolling Action Plan at February 2024	Internal Audit Rolling Action Plan at May 2024
2022-23 External Audit Progress Report			External Audit Strategy Review and Plan for 12 Months Ending July 2025
2023-24 Corporate Risk Register (V1)	2023-24 Corporate Risk Register (V2)	2023-24 Corporate Risk Register (V3)	2023-24 Corporate Risk Register (V4)
	2023-24 Business Continuity Plan		
	Meeting between Committee and Auditors without non-Members present		

Ayrshire College

Internal Audit 2022-23

Student Enrolment Procedures- Disclosure of Criminal
Convictions
August 2023

Overall Conclusion

Strong

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The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Ayrshire College’s individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

The purpose of this review was to ensure that the College has robust enrolment processes in place that include sufficient scrutiny of potential student criminal convictions. This review looked to provide assurance to the Board, via the Audit & Risk Committee, that the College has the robust processes to effectively identify those students with a potential/impending criminal conviction and thereafter has the appropriate safeguarding arrangements to protect students from potential harm. We also looked to ensure that the College are effectively communicating with students during the enrolment process and outlining the information required to be disclosed to allow for sufficient, transparent, and robust student processing.

This review has been added to the 2022/23 Internal Audit Annual Plan at the request of management, which was approved by the Audit & Risk Committee.

Scope of review

Our objectives for this review were to ensure:

- The College has a robust enrolment process that includes sufficient scrutiny of any criminal charges of potential applicants.
- The College will also review, as part of their enrolment process, any pending convictions/ convictions in progress to sufficiently assess the potential student.
- The College completes the appropriate Disclosure Scotland checks for the students on programmes that require such. This will include having the appropriate written procedures that effectively guide staff on these processes.
- Students are effectively informed of their responsibility with regard to the disclosure of pending/ completed criminal convictions. Responsibilities and College expectations are clearly outlined in the College's Student Code of Conduct and corresponding behaviour

procedures.

- The College has robust processes in place to ensure that Safeguarding referrals and complaints are processed effectively and in line with College procedures.
- The College effectively communicate with their staff and students surrounding safeguarding where they are aware of how referrals/ complaints are to be raised and are informed of the College's processes thereafter.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

As part of our review with tested the existence and completeness of Risk Assessments and looked to provide assurance that the process in place was being followed. We have not provided an opinion on whether the final judgement was appropriate.

Background Information

Enrolment Process

The College's enrolment process is mainly undertaken online. We note that disclosure of any criminal convictions is not mandatory throughout the enrolment process, however, the Privacy Notice for Student Application & Enrolment Process document states that 'Depending on the course of study a Protecting Vulnerable Groups (PVG) check may be needed to gather details relating to 'criminal convictions data' directly from the student once they have accepted the offer.'

Disclosure

College courses that include undertaking a placement with children or vulnerable groups must receive a PVG Check prior to beginning the placement section of their course. As part of the set up for a course, there is a requirement to state whether a placement is part of the course and at this stage the placement process will commence. No placement will take place unless the PVGs are in place. Managed by Disclosure Scotland, the PVG scheme is a database that lists individuals with offences which makes them unsuitable for working with either children or vulnerable groups.

The College has a detailed and robust Student PVG Procedure, which outlines the procedures that are to be followed throughout the PVG check process. The following courses are required to complete a PVG check prior to the beginning of their placement:

- HNC Healthcare Practice;
- HNC Social Services;
- Fast Track to Adult and Community Care Officer (SVQ L2);
- NC Higher Health & Social Care;
- NQ Social Services and Healthcare (with SVQ 2);
- First steps to Counselling & Mental Health;
- Access to Allied Health Professions;
- HNC Childhood Practice;
- HNC Additional Support Needs;
- PDA Education Support Assistant;
- Foundation Apprenticeship (Year 2);

- HNC Childhood Practice (Evening Year 1); and
- PDA Education Support Assistance (Evening).

The College are currently checking to see if Sport & Fitness courses will require PVG checks this session. Previously the College have completed them for the following courses:

- HNC Coaching & Developing Sport;
- HNC Fitness Health and Exercise;
- HND Applied Sport & Exercise Science; and
- Level 6 Sport & Fitness.

Risk Assessments

When students with criminal convictions or pending criminal convictions disclose this to the College, the College undertakes a Risk Assessment between the student, a member of the safeguarding team and the student's Offence Officer. Risk Assessments for criminal convictions are undertaken prior to the students course work beginning.

Roles and Responsibilities

All staff members at the College are responsible for safeguarding at the College. All staff at the College must adhere to the Safeguarding Policy and Procedure and complete refresher safeguarding training appropriate to their role.

The Safeguarding Steering Group has overall responsibility for the development, implementation and monitoring of the College's Safeguarding Policy. The Group meets on a quarterly basis, and is made up of the following staff members:

- Head of Student Experience;
- Student Experience Co-ordinator;
 - Student Experience Team Leaders;
 - HR Manager;

- Equality and Inclusion Advisor;
- Student President;
- Student Association Advisor;
- Head of Essential Skills;
- 2 x Curriculum Heads;
- Health and Safety and Wellbeing Manager;
- Hive Team Leader;
- Front of House Team Leader;
- Campus Liaison Officer;
- Alcohol and Drug Liaison Officer; and
- Mental Health Liaison Officer.

The Head of Student Experience chairs the Safeguarding Steering Group and provides support to the Safeguarding Team where required.

The Safeguarding Team at the College is made up of the following:

- Student Experience Coordinator;
- 3 x Student Experience Team Leaders (one on each campus);
- 4 x Student Services Advisors;
- Inclusive Learning Assistants (3 on each campus); and
- Inclusive Learning Officer (2 on each campus).

The Safeguarding Team will offer on campus and remote support to students. The Team also provides guidance and support to staff on safeguarding issues. The Team ensures appropriate reporting and follow up on any safeguarding issues which come to the attention of staff.

Safeguarding Referrals

The College utilises a system called FormStack. FormStack allows staff to report either 'Safeguarding Action' or 'Safeguarding Concern'. Safeguarding Action would be an issue that immediate action is required, whereas a Safeguarding Concern is where it should be monitored, but it is not yet urgent.

When referring, staff are required to identify the following:

- Time and Date;
- Safeguarding Action or Concern;
- Full name of person reporting and role in Ayrshire College;
- Have you contacted a member of the Safeguarding Team regarding this?;
- Type of Disclosure requiring immediate action;
- Student's details; and
- Further information relating to the case.

Safeguarding Awareness

The College has a section on their website called Report and Support. This section allows students and staff at the College to submit a report, anonymously, if necessary, about something that has happened to them or someone they know. The Safeguarding Policy and Procedure is also available in this section of the website.

The College has Safeguarding Flyers throughout the campuses, as well as at the reception of each building. It outlines the following:

Protect – The College are committed to the protection of children, young people and adults. If a child, young person or adult talks to a staff member about a concern which is a safeguarding issue, the staff member has a responsibility to:

- Advise the child, young person or adult that the staff member must pass the information on;
- Allow him or her to speak without interruption, listen to what is said, but do not investigate; and
- Record the facts as soon as possible and report the facts to the Safeguarding Team.

Prevent – The College have a statutory duty under the prevent strand of the Counter Terrorism and Security Act 2015. The Colleges responsibilities include:

- Ensuring that the College can provide advice and support for those at risk of radicalisation;
- Providing staff development which will provide relevant staff with an understanding of radicalisation and why people may be vulnerable to this;
- Providing a link to specialist external advice; and
- Following the College’s overall safeguarding approach and procedures.

Parent- The College are a proud corporate parent. This means the College are ‘here to help’ care experienced young people. The Colleges responsibilities include:

- Being alert to matters which adversely affect the wellbeing of the care experienced;
- Assessing the needs of care experienced young people for the services and support the College provide;
- Promoting the interests of care experienced; and
- Taking action to help care experienced young people access opportunities and make use of the services and support provided.

The portal for students at the College has detailed a safeguarding section on it. Within the portal, there is the following:

- Safeguarding action form;
- Safeguarding concern form;
- Safeguarding Policy;
- Safeguarding Reporting; and
- Safeguarding Team Contact Details.

Work Undertaken

Our work undertaken for this review, included the following:

Objective 1 - The College has a robust enrolment process that includes sufficient scrutiny of any criminal charges for potential applicants.

- We reviewed the enrolment process in place at the College to ensure that the enrolment process is robust and includes scrutiny of criminal charges where required.
- We tested each of the 3 students with criminal convictions in 2022/23 to ensure that appropriate risk assessments had taken place and that agreement of the risk level for each was agreed by the relevant parties.

Objective 2 - The College will also review as part of their enrolment process any pending convictions/ convictions in progress to sufficiently assess the potential student.

- We reviewed the processes in place for assessing students with pending convictions.
- We tested each of the 5 students with pending criminal convictions to ensure that the appropriate risk assessments had been completed and that adequate controls have been put in place whilst the trial was pending.

Objective 3 - The College completes the appropriate Disclosure Scotland checks for the students on programmes that require such. This will include having the appropriate written procedures that effectively guide staff on these processes.

- We reviewed the Student PVG Procedure, as well as a list of courses where PVG checks are required.
- We sample tested 25 students from courses where PVG checks were required to ensure that they had been appropriately received and recorded by the College and that they had been received prior to placement out with College campuses.

Objective 4 - Students are effectively informed of their responsibility with regard to the disclosure of pending/ completed criminal convictions. Responsibilities and College expectations are clearly outlined in the College's Student Code of Conduct and corresponding behaviour procedures.

- We reviewed the Student Conduct Policy.
- We reviewed how students are informed of their responsibilities with regard to the disclosure of criminal convictions and safeguarding.

Objective 5 - The College has robust processes in place to ensure that safeguarding referrals and complaints are processed effectively and in line with College procedures.

- We reviewed the processes in place for making and recording of safeguarding referrals at the College.
- We sample tested 10 safeguarding referrals, from start to the action being closed to ensure that they had been effectively dealt with.

Objective 6 - The College effectively communicate with their staff and students surrounding safeguarding where they are aware of how referrals/ complaints are to be raised and are informed of the College's processes thereafter.

- We reviewed how the College communicates with staff and students around safeguarding and referrals, and how to raise any concerns.

Conclusion

Overall conclusion

Overall Conclusion: Strong

We are able to provide a strong level of assurance that the College is handling cases where students have criminal convictions effectively and that appropriate risk assessments are taking place. We are also able to provide a strong level of assurance relating to the information that is available to students and staff at the College.

Summary of recommendations

Grading of recommendations

	High	Medium	Low	Total
Student Enrolment Procedures- Disclosure of Criminal Convictions	0	0	0	0

As can be seen from the above table there were no recommendations raised.

Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.

1.	The College has a robust enrolment process in place, utilising the Unit-e Student Records System throughout the process.
2.	We reviewed the processes and controls in place for students with pending convictions. We were able to see that each of the students that had pending convictions for the academic year 2022/23 were appropriately risk assessed and monitored by the College's Safeguarding Team.
3.	We were able to confirm that each of the 3 students that disclosed that they had criminal records each had a Risk Assessment prior to the commencement of the course they had applied for. For those that were not allowed to join the College, there was sound rationale to support this, and those that were allowed to join the College the appropriate controls were put in place and assurance gained that the student was not of risk to other students.
4.	We sample tested 25 students who are on courses that require PVG checks to ensure that they had been appropriately carried out. We were able to confirm that each of our sample had completed the relevant PVG check and it is appropriately recorded and monitored within a log by College staff.
5.	From our sample testing of safeguarding referrals, we were able to confirm that they had followed the correct procedures and that they were accurately and appropriately recorded within the College's systems.
6.	Students at the College receive a presentation on the Student Services at the College when they join. The College includes safeguarding information in the Student Experience section of the College's website. Safeguarding posters and flyers are prominent throughout the College.
7.	Staff at the College undertake safeguarding training as part of their induction process, and receive annual updates on safeguarding as well.

2 AUDIT ARRANGEMENTS

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit & Risk Committee meeting.

Audit stage	Date
Fieldwork start	31 July 2023
Closing meeting	4 August 2023
Draft report issued	16 August 2023
Receipt of management responses	29 August 2023
Final report issued	30 August 2023
Audit & Risk Committee	10 October 2023
Number of audit days	5

3 KEY PERSONNEL

We detail below our staff who undertook the review together with the College staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Director	Stephen Pringle	Director of Internal Audit	stephen.pringle@wyliebisset.com
Senior	Neil Hamilton	Internal Audit Senior	neil.hamilton@wyliebisset.com

Ayrshire College			
Key Contact:	Doreen Wales	Assistant Principal Student Experience and Quality Enhancement	doreen.wales@ayrshire.ac.uk
	Wendy McColl	Student Experience Coordinator	wendy.mccoll@ayrshire.ac.uk
	Anne Campbell	Vice Principal- Curriculum	anne.campbell@ayrshire.ac.uk
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

APPENDICES

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

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

Purpose of review

The purpose of this review will be to ensure that the College has robust enrolment processes in place that include sufficient scrutiny of potential student criminal convictions. This review will look to provide assurance to the Board, via the Audit & Risk Committee, that the College has the robust processes to effectively identify those students with a potential/impending criminal conviction and thereafter has the appropriate safeguarding arrangements to protect students from potential harm. We also looked to ensure that the College are effectively communicating with students during the enrolment process and outlining the information required to be disclosed to allow for sufficient, transparent, and robust student processing.

This review has been added to the 2022/23 Internal Audit Annual Plan at the request of management.

Scope of review

Our objectives for this review are to ensure:

- The College has a robust enrolment process that includes sufficient scrutiny of any criminal charges for potential applicants.
- The College will also review as part of their enrolment process any pending convictions/ convictions in progress to sufficiently assess the potential student.
- The College completes the appropriate Disclosure Scotland checks for the students on programmes that require such. This will include having the appropriate written procedures that effectively guide staff on these processes.
- Students are effectively informed of their responsibility with regard to the disclosure of pending/ completed criminal convictions. Responsibilities and College expectations are clearly outlined in the College's Student Code of Conduct and corresponding behaviour procedures.
- The College has robust processes in place to ensure that Safeguarding referrals and complaints are processed effectively and in line with College procedures.

- The College effectively communicate with their staff and students surrounding safeguarding where they are aware of how referrals/ complaints are to be raised and are informed of the College's processes thereafter.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

- Review of any procedures in relation to the enrolment process that are provided to applicants and internally to staff processing the applicant.
- Review of the system used for enrolment- is this fit for purpose.
- Ensure that the Enrolment Process includes a section of criminal convictions at application.
- Discuss with the College they assess the risk of individuals attending the College with criminal convictions and whether they could potentially cause harm to other students/staff.
- Review whether the College's documentation and processes surrounding the disclosure and scrutiny of criminal convictions within the enrolment process includes coverage of pending convictions.
- Review whether the College has appropriately identified the courses that require the students to receive a Disclosure Scotland check.
- Identify whether the College has the relevant policies/ procedures in place to guide staff on how to complete these checks in line with College procedures.
- Ensure that the College appropriately log and monitor the students with completed checks.
- Ensure that the College has completed the appropriate risk assessment for any student without a confirmed Disclosure Scotland check at the beginning of their course.

- Review whether the documentation provided to students during the enrolment process clearly defines what they are required to disclose surrounding criminal convictions.
- Discuss how referrals are made and how these are recorded and tracked by the College.
- For a sample of referrals made trace to appropriate file to ensure that there is sufficient evidence of action taken and that this action was the most appropriate.
- Discuss how the staff and learners are made aware of the College's safeguarding arrangements.
- Establish whether or not the College has appropriately signposted throughout the College and on the College website their arrangements.
- Review whether processes are made clear surrounding the raising of safeguarding referrals to staff and students.

Potential key risks

The potential key risks associated with the area under review are:

- The College do not have a robust enrolment process that includes sufficient scrutiny of any criminal charges for potential applicants. This results in the College potentially endangering their students and staff.
- The College do not effectively consider students with pending criminal convictions. This results in the College potentially endangering their students and staff without the proper due diligence.
- The College does not complete the appropriate Disclosure Scotland checks for the students on programmes that require such. This results in the College being potentially liable to a lawsuit and/or endangering key stakeholders.
- Students are not effectively informed of their responsibility with regard to the disclosure of pending/ completed criminal convictions. This results in students not effectively disclosing this information which could potentially harm the College.
- The College does not have robust processes in place to ensure that Safeguarding referrals and complaints are processed effectively and in line with College procedures.

- The College does not effectively communicate with their staff and students surrounding safeguarding where they are aware of how referrals/ complaints are to be raised and are informed of the College's processes thereafter.

Ayrshire College

Internal Audit 2022/23
Annual Report

+ September 2023





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The prime responsibility of the Internal Audit Service (IAS) is to provide the Audit & Risk Committee, the Principal and other Senior Management of the College, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

We conduct our activity within the overarching framework of the Institute of Internal Auditors, Definition of Internal Auditing, Code of Ethics and International Standards for the Professional Practice of Internal Auditing, together with the UK Public Sector Internal Audit Standards, first introduced in April 2013.

In line with these Standards, we have developed a robust quality assurance process to ensure that each of our activities and reports are of a high and consistent standard. Quality assurance activity includes interim reviews during the internal audit process and an extensive final review before reports are issued to clients and other stakeholders. We actively seek to improve the services we deliver through a programme of CPD, training, networking and engagement with internal peers, as well as by piloting new ways of working.

We had an extensive external assessment undertaken against these standards in November 2021. The assessment was undertaken by the Chartered Institute of Internal Auditors who concluded:

"We are pleased to report that the Wylie and Bisset LLP Internal Audit Department conforms with the Standards, as well as the Definition of Internal Auditing, Core Principles and the Code of Ethics, which form the mandatory elements of the Public Sector Internal Audit Standards (PSIAS) and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard of quality in Internal Auditing".

The Chartered Institute of Internal Auditors also highlighted our compliance with all 64 standards of the IPPF.

This Annual Report should be considered by the Audit & Risk Committee prior to the Committee submitting their annual report to the Board.

A copy of this report requires to be submitted to the Scottish Funding Council.



Overall Opinion

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes.

In our opinion Ayrshire College did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money.

Our fieldwork was carried out between February 2023 and September 2023, and we have not undertaken any further internal audit assignments at the time of this report.

The overall findings and conclusion of each report are highlighted in Section 3. As can be seen from the summary in Section 3 all areas included in the Operational Plan for 2022/23 have been completed.

In forming our opinion, we have carried out the following work:

- + A review and appraisal of financial and other controls operated by the College;
- + A review of the established policies and procedures adopted by the College;
- + An assessment of whether or not the internal controls are reliable as a basis for producing the financial accounts;
- + A review of accounting and other information provided to management for decision making;
- + Compliance and substantive audit testing where appropriate;
- + A review of the College's procedures in place to promote and secure value for money.

The analysis of performance indicators for the internal audit work carried out in the year is included at section 5.

Basis of Opinion

As the Head of Internal Audit at Ayrshire College we are required to provide the Audit & Risk Committee with an opinion on the adequacy and effectiveness of the College's risk management, control and governance processes.

In giving our opinion it should be noted that assurance can never be absolute. The most that we can provide to the Audit & Risk Committee is reasonable assurance that there are no major weaknesses in the College's risk management, control and governance processes.

In assessing the level of assurance given, we have considered:

- + All audits undertaken during the year ended 31 July 2023;
- + Any follow-up action taken in respect of audits from previous periods;
- + Any significant recommendations not accepted by management and the consequent risks;
- + The effects of any significant changes in the College's objectives or systems;
- + Matters arising from previous reports to the Audit & Risk Committee;
- + Any limitations which may have been placed on the scope of internal audit;
- + The extent to which resource constraints may impinge on the Head of Internal Audit's ability to meet the full audit needs of the College;
- + What proportion of the College's audit need has been covered to date;
- + The outcomes of our quality assurance processes.

3. Audit Findings



Summary of Work Undertaken

The following table summarises the audit work undertaken in 2022/23. The grading structure used in our reports can be found in Appendix A.

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
Overall Financial Controls	6	6	Complete	Strong	-	-	-
Safeguarding & Child Protection	5	5	Complete	Strong	-	-	-
Fraud Awareness	5	5	Complete	Strong	-	-	1
Risk Management	5	5	Complete	Strong	-	-	-
Student Enrolment Procedures- Disclosure of Criminal Convictions	5	5	Complete	Strong	-	-	-
EMA	4	4	Complete	N/A	-	-	-
SSF	4	4	Complete	N/A	-	-	-
Credits	6	6	Complete	N/A	-	-	1
Follow Up	4	4	Complete	Strong	-	-	-
Audit Management	6	6	N/A	N/A	N/A	N/A	N/A
Total	50	50			-	-	2

4. Benchmarking



We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the previous financial year.

Area	High	Medium	Low	Total
Overall Financial Controls				
Average number of recommendations in similar audits	-	1	2	3
Recommendations at Ayrshire College	-	-	-	-
Safeguarding and Child Protection				
Average number of recommendations in similar audits	-	-	1	1
Recommendations at Ayrshire College	-	-	-	-
Fraud Awareness				
Average number of recommendations in similar audits	-	2	2	4
Recommendations at Ayrshire College	-	-	1	1
Risk Management				
Average number of recommendations in similar audits	-	1	2	3
Recommendations at Ayrshire College	-	-	-	-
Summary c/f				
Average number of recommendations in similar audits c/f	-	4	7	11
Recommendations at Ayrshire College c/f	-	-	1	1

4. Benchmarking



Area	High	Medium	Low	Total
Summary c/f				
Average number of recommendations in similar audits b/f	-	4	7	11
Recommendations at Ayrshire College b/f	-	-	1	1
EMA				
Average number of recommendations in similar audits	-	-	-	-
Recommendations at Ayrshire College	-	-	-	-
SSF				
Average number of recommendations in similar audits	-	1	-	1
Recommendations at Ayrshire College	-	-	-	-
Credits				
Average number of recommendations in similar audits	-	-	2	2
Recommendations at Ayrshire College	-	-	1	1
Summary				
Average number of recommendations in similar audits	-	5	9	14
Recommendations at Ayrshire College	-	-	2	2

As highlighted above, the College has a lower number of recommendations in comparison with the colleges it has been benchmarked against.

5. Key Performance Indicators



Performance Indicator	Target	Actual
Internal audit days completed in line with agreed timetable and days allocation	100%	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%	100%
Draft reports issued within 10 working days of exit meeting	100%	100%
Management provide responses to draft reports within 15 working days of receipt of draft reports	100%	100%
Final reports issued within 5 working days of receipt of management responses	100%	100%
Recommendations accepted by management	100%	100%
Draft annual internal audit report to be provided by 31 December each year	100%	100%
Attendance at Audit & Risk Committee meetings by a senior member of staff	100%	100%
Suitably experienced staff used on all assignments	100%	100%



Appendix A

Grading Structure



For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation, we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Assurance	Risk	Classification
High	High risk	Major weakness that we consider needs to be brought to the attention of the Audit & Risk Committee and addressed by Senior Management of the College as a matter of urgency
Medium	Medium risk	Significant issue or weakness which should be addressed by the College as soon as possible
Low	Low risk	Minor issue or weakness reported where management may wish to consider our recommendation



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