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BORDERS COLLEGE REGIONAL BOARD

AUDIT & RISK COMMITTEE

30 November 2023

Internal Audit Assignment – Student Support Funding 2022/23

1.0 PURPOSE OF PAPER

For decision

1.1 The purpose of this paper is to provide the Committee with findings of the internal audit for Student Support Funding (SSF).

2.0 EXECUTIVE SUMMARY

2.1 There is an annual requirement to provide the Scottish Funding Council with an audit certificate. The certificate is required to be provided to SFC by 29 September 2023.

2.2 The required annual internal audit has been undertaken during September and the controls have been found to be satisfactory.

2.3 The completion and satisfactory audit has allowed the required audit certificate to be submitted to Scottish Funding Council on 29 September.

3.0 RECOMMENDATION

3.1 I recommend that the Audit and Risk Committee note the report contained in Appendix A.

4.0 BACKGROUND

4.1 Scottish Funding Council manages the national SSF funding. SFC issue annual guidance for the audit including the key areas to be contained in the audit and deadline for submission of the Audit Certificate.

4.2 Student support funding is administered by the College within the policies set out by SFC.

5.0 2022-23 Audit

5.1 The 2022-23 audit guidance was issued by Scottish Funding Council on 30 August 2023 and can be found here. The guidance requires the audit certificate to be submitted to Scottish Funding Council by 29 September 2023

5.2 The audit work was completed by Wylie Bisset during September and the audit certificate was submitted to SFC on 29th September.

5.3 There were no recommendations identified and the overall conclusion is shown below. The full report is contained in Appendix A.

"We have examined the records of Borders College and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the College used these funds in accordance with the guidance issued by the SFC. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate."

6.0 IMPLICATIONS AND CONSIDERATIONS

6.1 Financial Implications

The are no direct financial implications from the contents of this report. The satisfactory completion of the audit and audit certificate submission provides assurance the funds are appropriately disbursed.

6.2 Learner Implications

There are no direct implications from the contents of this report. The disbursement of these funds however ensures that students from low income households are given the financial support to enable them to continue in their education journey.

6.3 Staff Implications

There are no direct staff implications from the contents of this report.

6.4 Equality and Diversity Implications/Equality Impact Assessment

There are no direct equality and diversity implications from the contents of this report.

6.5 Sustainability/Environmental Implications

There are no direct sustainability or environmental implications from the contents of this report.

7.0 RISK COMMENTARY

7.1 The satisfactory completion of the audit and submission of the required audit certificate to SFC mitigate any possible risk of funds being inappropriately disbursed and which could require the College to repayment.

8.0 CONCLUSION

8.1 The annual audit of SSF's has been completed and the controls have been found to be satisfactory, allowing the required audit certificate to be submitted to SFC, within the required time frame.

Kirsty Robb, Vice Principal Finance & Corporate Resources

Previous Committee Approvals: N/A

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Wylie + Bisset
Accountants, Business & Tax Advisers

Borders College

Student Support Funds 2022 - 2023

+ September 2023

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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 Borders College 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. Even sound systems 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.

1. Executive Summary

Introduction

This report has been prepared following the conclusion of our audit of the Student Support Funds for the year ended 31 July 2023.

The audit certificate for the Scottish Funding Council (SFC) funds was submitted on 29th September 2023.

The audited signed return for the HE Discretionary fund was submitted to the Students Award Agency for Scotland (SAAS) on 29 September 2023.

Summary of Recommendations

Current Year Recommendations	High	Medium	Low	Total
No recommendations raised	-	-	-	-

Prior Year Recommendations	High	Medium	Low	Total
There were no recommendations raised in 2021/22.				

1. Executive Summary

Conclusion

Overall Conclusion:
We have examined the records of Borders College and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the College used these funds in accordance with the guidance issued by the SFC. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Summary of Income & Expenditure

The table below provides a summary of the income and expenditure for each of the funds and provides details of the fund position at the end of the year. Further detail on the expenditure incurred by fund can be found at Appendix A.

	SFC					SAAS
	Bursary	**Discretionary**	**Childcare**	**Total**		**HE Discretionary**
Income	1,488,569	1,072,857	33,924	**2,595,350**		**36,688.03**
Expenditure	1,397,030	1,072,857	33,924	**2,503,820**		**36,688.03**
Under/(Over) Spend	**91,539**	**0**	**0**	**91,539**		**0**

2. 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 year ending 31 July 2022.

Benchmarking	High	Medium	Low	Total
Average no. recommendations in similar audits	-	1	-	1
Recommendations at Borders College	-	-	-	-

As can be seen from the above table, the College has a lower number of recommendations in comparison to the colleges it has been benchmarked against.

3. Audit Arrangements

The table below details the dates of our fieldwork and the reporting of the audit area under review

Audit Stage	Date
Fieldwork start	11 September 2023
Closing meeting	18 September 2023
Draft report issued	26 September 2023
Receipt of management responses	27 September 2023
Final report issued	10 October 2023
Submission to Scottish Funding Council	29 September 2023 & 11 October 2023
Audit Committee	28 November 2023
No of audit days	2

3. Audit Arrangements

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
Senior Manager	Susan Brook	Senior Internal Audit Manager	susan.brook@wyliebisset.com
Auditor	Carla Tamagnini	Internal Auditor	carla.tamagnini@wyliebisset.com

Borders College			
Key Contact	Carolyn Chapman	Student Funding Manager	cchap@borderscollege.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.

A. Summary of Returns

Scottish Funding Council Return

Bursary Student Numbers & Expenditure								
	Students u18		**Parentally Supported (At Home)**		**Parentally Supported (Away from Home)**		**Self-Supporting**	
	Students	**£**	**Students**	**£**	**Students**	**£**	**Students**	**£**
Maintenance Allowances:	-	-	94	277,664	2	9,492	56	238,198
Residence Costs	-	-	-	-	-	-	-	-
Dependents Allowance	-	-	-	-	-	-	-	-
Study Expenses Allowance	-	-	93	25,591	2	761	55	18,288
Travel Expenses Allowance	-	-	6	7,055	-	-	27	41,021
Additional Support Needs Allowance	-	-	-	-	-	-	-	-
Total Numbers & Spend	-	-	94	310,309	2	10,253	57	297,506

A. Summary of Returns

Scottish Funding Council Return

Bursary Student Numbers & Expenditure						
	Care Experienced		**Universal Credit**		**Non-Maintenance**	
	Students	**£**	**Students**	**£**	**Students**	**£**
Maintenance Allowances:	70	457,959	56	52,108	-	-
Residence Costs	-	-	-	-	-	-
Dependents Allowance	-	-	-	-	-	-
Study Expenses Allowance	69	24,185	55	17,914	255	95,905
Travel Expenses Allowance	10	13,785	28	34,246	23	18,989
Additional Support Needs Allowance	4	16,286	4	14,646	7	32,977
Total Numbers & Spend	70	512,191	26	118,908	257	147,872
Total Bursary Funds Spent in 2022/23					1,397,030	

A. Summary of Returns

Scottish Funding Council Return

Discretionary Fund & Childcare Fund Expenditure						
	Discretionary Fund		Childcare Fund		Total	
	Students	£	Students	£	Students	£
At FE Level	333	1,072,859	13	29,541	346	1,102,400
At HE Level	-	-	3	4,385	3	4,385
Total	**333**	1,072,859	**16**	**33,924**	**349**	**1,106,785**

Auditors' Report

We have examined the books and records of the Borders College and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the college used these funds in accordance with the Scottish Funding Council conditions. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Principal's Signature: - Borders College

Auditors' Name: - Wylie & Bisset LLP

Auditors' Signature: - Wylie & Bisset LLP

Date of Signature: - 29 September 2023

A. Summary of Returns

Students Award Agency for Scotland (SAAS)

HE Discretionary Fund					
	Undergraduate Discretionary Fund £	Covid-19 £	Postgraduate Discretionary Fund £	International Student Fund	Total £
At FE Level	29,024.03	-	-	7,664	36,688.03
At HE Level	-	-	-	-	-
Total	29,024.03	**-**	**-**	**7,664**	**36,688.03**

Auditors' Report

We have examined the books and records of the above institution and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out above is in agreement with the underlying records and in our opinion is in accordance with the relative statutory requirements. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate,

Appointed Auditor: Wylie & Bisset Date: 29 September 2023

B. Grading Structure

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:

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

Wylie Bisset

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