Meeting of the Group Audit and Risk Committee

3.30 pm on Thursday, 5 November 2020
via MS Teams

Supplement one: full internal audit reports (for information)

Date of next meeting
4.00 pm on Thursday, 11 February 2021

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LONDON SOUTH BANK UNIVERSITY

INTERNAL AUDIT REPORT –FINAL

APPRENTICESHIPS
OCTOBER 2020

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Moderate	Moderate

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

DISTRIBUTION	
Fiona Morey	Executive Principal – Lambeth College
Alison May	Group Director of Apprenticeships and Employer Sponsored Provision
Heather Collins	Apprenticeship Implementation Manager
Lisa Upton	Head of Registry
Katherine O'Shea	Head of Admissions and Recruitment

REPORT STATUS LIST	
Auditors:	Anthony Higginson and Hollie Charlton
Dates work performed:	21 April – 7 May 2020
Draft report issued:	26 May 2020
Final report issued:	26 October 2020

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)

Design	■	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Effectiveness	■	Evidence of non compliance with some controls, that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)

TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

London South Bank University (LSBU) receives applications from apprentices through two different systems; Wozzad and UK Apps. Since 1 August 2019, LSBU has enrolled 689 apprentices, split across the following schools:

- Built Environment and Architecture - 449
- Engineering – 30
- Health and Social Care - 88
- Business - 45
- Law and Social Science – 77.

No apprentices were enrolled into the Arts and Creative Industries school for the 2019/20 academic year. LSBU has ambitious plans to grow the number of apprentices over the next few years.

Once the apprenticeship application is received, Written Agreements between LSBU and the employer and between LSBU and the apprentice are drafted. Assessments are completed to ensure the apprentice is on the right course and there is sufficient opportunity for learning. These assessments are the Skills Scan which is signed off by an Academic, and the Basic and Key Skill Builder (BKSB) tests in Maths and English. An Individual Learning Plan is developed which sets out the details of the apprenticeship, including the planned off-the-job-hours. Lastly, a Commitment Statement is drafted and signed by all three parties; LSBU, the employer and the apprentice. All of these documents are required to be completed and signed before the apprentice's first date of learning. The first date of learning is monitored via tag-in reports, which evidence the student attending their first class.

Once all of the apprenticeship paperwork is complete, the student data is entered into Unit4 (the student records system). A small number of data fields are automatically populated in Unit4 via the interface with the application systems, but the majority of the data is manually input by the Apprenticeship Administrator.

On a monthly basis, LSBU submits an Individualised Learner Record (ILR) return in order to claim the funding from the Education and Skills Funding Agency (ESFA) for apprentices who

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

are not being funded through the Apprenticeship Levy. The Government covers 95% of the apprenticeship training costs and the employer is required to pay the remaining 5%.

In the current academic year, LSBU has received £3.6m as a combination of income from the ESFA and employer contributions. The forecast for the remainder of the year is that £5.6m will be the total income received.

The ILR return is produced using the data captured in Unit4, and includes information such as the learning provider, course details, apprentice information, learning delivery and employer information. Errors in the ILR return mean that the ESFA can clawback a percentage of the funding for the apprentices that have errors in their data. The error rate in the ILR return has been reduced from 15% to 5% in this academic year, through collaboration with Lambeth College to help identify why the errors in the data were occurring.

The main source of errors are the mismatches between the data in the ILR return and the information held on the Data Apprenticeship Service (DAS) system - a portal on the Government's website that can be accessed by employers. Once the ILR return is submitted, a Data Match Report is generated which highlights any errors in the data in the ILR by comparing it to the DAS system. The funding for these students is paused and not received until the errors are resolved. Any funding due is then backdated in the following return to ensure that the university receives the full amount of funding for each student.

SCOPE AND APPROACH:

Interviews were held with key stakeholders involved in the application, enrolment and reporting processes for apprenticeships. We identified the controls that are in place for each of our areas of audit work and assessed them to determine whether they were robust. Where appropriate, evidence was obtained to substantiate the effectiveness of the controls in operation.

Specifically, we reviewed whether the application, enrolment and reporting processes (including the production of the ILR return) were clearly documented, and whether responsibilities of staff were clearly defined. We reviewed the training courses that are available to staff, and inspected meeting invites and other evidence to determine who was invited to each course.

Walkthroughs were undertaken of the key processes involved in collating the apprenticeship paperwork and populating the data in the Unit4 system.

We tested a sample of 20 apprentices enrolled since 1 August 2019 to confirm whether key apprenticeship paperwork had been completed and signed before the first date of learning. This included the:

- Skills Scan
- BKSB assessment
- Individual Learning Plan (ILP)
- Written Agreement
- Apprenticeship Agreement
- Commitment Statement
- Tag-in report confirming the first date of learning.

We considered whether there were any gaps in controls, duplications in the process or key dependencies on the personnel involved.

We reviewed how data is input into the Unit4 system and walkthroughs of the ILR preparation, validation and submission processes were undertaken to identify whether this is well controlled. In addition, we tested a sample of five data fields (three manually input data fields and two automatically input data field) for the 20 selected apprentices to

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

determine whether the data had been accurately input in the Unit4 system and reported correctly in the ILR return. The data fields selected for sampling were:

- Gender (automatic)
- NI Number (automatic)
- Start date of learning (manual)
- Planned off the job hours (manual)
- Funding amount (manual).

We considered the process for how errors between the ILR return and the DAS system are identified and resolved. This included the review of the Data Match Reports that are received following submission of the ILR return, which highlight the errors each month.

The evidence of collaboration between the University and Lambeth College was reviewed to determine whether efficiencies in each of the processes had been identified and shared. This included review of training records and email correspondence.

GOOD PRACTICE:

During the audit, we identified a number of areas of good practice, this included:

- Process maps and other guidance have been developed and clearly set out the processes to be followed
- The first date of learning can be verified via the tag-in reports which evidence the student attending their first class
- Data in Unit4 and the ILR return is accurate and can be traced back to source documents (confirmed for five data fields for our sample of 20 apprentices)
- There is evidence of the collaboration with Lambeth College to ensure synergies are leveraged, including joint training sessions and the consultant used at the College assisting in resolving errors identified in the University's ILR return.

KEY FINDINGS:

Three findings have been raised; two of a medium significance and one of a low significance. The medium significance findings relate to the manual entry of apprenticeship related data and the key dependency on the Apprenticeship Administrator, which may pose capacity issues as the number of apprenticeships increase.

CONCLUSION:

As a result of our review we are able to provide moderate assurance over both the design and operational effectiveness of the controls in place over the management of applications, enrolments and reporting processes for apprenticeships.

OUR TESTING DID NOT IDENTIFY ANY CONCERNS SURROUNDING THE CONTROLS IN PLACE TO MITIGATE THE FOLLOWING RISKS:

✓ LSBU does not have clear guidance to support the effective application, enrolment and reporting of apprentices leading to inefficiencies and inconsistent practices

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

- ✓ Delays in the admission and enrolment process occur due to:
  - Student assessments are not performed in a timely manner
  - Contracts with employers are not signed
  - All the necessary paperwork is not in place
- ✓ Synergies and efficiencies are not fully leveraged with the College

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

DETAILED FINDINGS

RISK: UNIT4 IS NOT KEPT UP TO DATE AND/OR CONTAINS INCORRECT STUDENT DATA
RISK: ERRORS IN THE ILR RETURN MEAN APPRENTICESHIP INCOME IS WITHDRAWN

Ref	Sig.	Finding
1		Unit4 is largely populated through manual data entry. There is a key dependency on the Apprenticeship Administrator, as they are the only member of staff who inputs the data into Unit4. A limited number of data fields automatically feed through from the application systems (Wozzad and UK Apps) into Unit4, which means that the remaining data has to be manually input into the system by the Apprenticeship Administrator. As the number of apprentices is expected to rise, the data entry processes are not scalable as there may be insufficient resources available to ensure all data is entered by the first date of learning for each apprentice (which is usually in September). Data fields that have to be manually input include learning aim reference number, unique learner number (ULN), learning start date, planned end date, funding model, source of funding and employer details. The majority of this data is stored in the apprenticeship paperwork, but some data fields (such as the ULN) have to be manually updated using information from other data sources. Although our testing of the data in Unit4 (a sample of three manually input data fields and two automatic data fields) for 20 randomly selected apprentices did not identify any errors in the accuracy of the data, the manual process is time-consuming and creates inefficiencies. It may also lead to a bottleneck in resources as the number of apprentices increases. The data in Unit4 is used to prepare the ILR return. If the data for an apprentice is not entered into Unit4 in time for the first ILR return, then the apprentice is not included and the funding is not received. When the data is entered onto Unit4 and the apprentice is included in the following ILR return, the funding is backdated to their first date of learning. However, delays in the data entry process means that funding from the ESFA is not received in a timely manner. In addition, the Apprenticeship Administrator is responsible for resolving any data mismatches identified between the ILR return and the data recorded on the DAS system. The errors are resolved by reviewing the report line-by-line and updating either Unit4 or the DAS system to ensure the information is correct, which can be a time-consuming process. Funding for the apprentice is paused until errors are resolved, and so a lack of resources in this area could also result in delayed funding. Manual data entry increases the risk of human error or omission, and puts time pressure on resources during the application and enrolment stages. This may result in delayed funding due to a lack of capacity around data input may cause potential cash flow issues for the University. There may also be delays caused if this individual were to be unavailable as someone else would need to be trained to pick up this work.

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

RECOMMENDATION:

The University should consider implementing a student records system that allows for the automatic input of data from the student application systems and apprenticeship paperwork. The data fields should be identified and mapped to the source documents, and data quality checks should be completed to ensure the data is feeding through accurately.

In addition, the University should review the allocation of resources to assist with data entry into the Unit4 system, and the correction of errors identified in the ILR return. An automated data entry system would help to reduce the pressure on resources, but additional resources should be used in the interim.

MANAGEMENT RESPONSE:

Group Director of Apprenticeships is working with the LEAP team on the following

1) The specification of the updated SRS and how it will meet apprenticeship requirements presented to LEAP in 2019.
2) The time scale for implementation.

Once this information is received, on the basis of this response, a business case may be submitted to procure an end-to-end purpose designed apprenticeship system. An integrated application and record system by module which supports apprentice programmes will ensure that apprenticeships are fully integrated into university processes.

Additional staffing for manual data input will be a last resort for both accuracy and cost efficiency reasons. The Head of Registry and Director of Apprenticeship are meeting with the relevant software providers - Wozzard and Unit 4 to make temporary updates until the new SRS is in place via LEAP.

Responsible Officer:	Head of Registry/Group Director of Apprenticeship
Implementation Date:	November 2020

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

RISK: ROLES AND RESPONSIBILITIES ARE UNCLEAR, HAVE NOT BEEN FULLY COMMUNICATED OR DO NOT ALIGN WITH DEFINED PROCESSES MEANING KEY PROCESSES ARE INEFFICIENT OR NOT COMPLETED		
Ref	Sig.	Finding
2		Responsibilities of staff in relation to the ILR reporting process have not been clearly defined. The Apprenticeship Task List sets out the responsibilities of staff in relation to the application, enrolment, on-boarding and assessment processes. A guide that sets out how the ILR return is prepared and submitted has been developed, but it does not set out the specific responsibilities of staff. This includes the staff responsible for checking the ILR return data against the information held on the DAS system and resolving any errors. The information on the DAS system can be entered by either the Apprenticeships team or the student's employer. Once the ILR return is submitted, errors between the data in the ILR and the DAS system are identified in a Data Match Report. It has not been defined as to whether it should be the responsibility of the University or the employers in ensuring the data on the DAS system is up-to-date and accurate. If staff responsibilities are not clearly defined, this may result in tasks not being completed accurately or in a timely manner. If LSBU waits for employers to update information then it may cause delays in funding.

RECOMMENDATION:
The responsibilities of staff in relation to the ILR return reporting processes should be documented. This should include the responsibilities for preparing, validating and submitting the return, and clearing any subsequent errors identified.

MANAGEMENT RESPONSE:	
ILR reporting process has been mapped following the templates commended earlier in this report.	
Responsible Officer:	Apprenticeship Reporting and Compliance Coordinator
Implementation Date:	Complete

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

RISK: STAFF ARE NOT SUFFICIENTLY TRAINED TO SUPPORT EMPLOYERS AND APPRENTICES EFFECTIVELY ENGAGE WITH THE APPRENTICESHIP STANDARDS		
Ref	Sig.	Finding
3		Training records and schedules of upcoming courses are not maintained. Training for the Pro-Achieve and OneFile systems has been provided to staff in 2020, which was confirmed via calendar entries and training slides. There are 12.75 full-time equivalent (FTE) staff involved in the apprenticeships process, made up of 11.75 FTE in the apprenticeships team and 1 FTE in the Mayor's Construction Academy. However, there is no schedule that sets out all of the training courses available, and it has not been defined if any of the courses are mandatory. Records confirming staff attendance at the sessions are not maintained, and so we were unable confirm that all required staff had attended the relevant training sessions. If clear requirements over training are not defined and communicated, staff may not attend the courses they need to ensure they have the relevant skills required for their role.

RECOMMENDATION:

A training schedule should be developed that sets out the upcoming courses in relation to apprenticeships and this should be communicated to all relevant staff. The schedule should include details over which courses are mandatory and the required due date for completion.

Attendance records should be maintained and any non-compliance with the training requirements should be identified and followed up.

MANAGEMENT RESPONSE:

The Apprenticeship Implementation Manager will lead on a training and development schedule for apprenticeship compliance and reporting. Due to the number of stakeholders in the University involved in apprenticeships, this will be coordinated in collaboration with Learning and Development team, to utilise their communications platforms as well as ensure attendance records are maintained and non- compliance is followed up.

Responsible Officer:	Apprenticeship Implementation Manager
Implementation Date:	November 2020

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

OBSERVATIONS

SKILLS SCAN

Our testing of the apprenticeship paperwork for a sample of 20 students identified one instance where the Skills Scan document could not be located. This was for a student in the School of Health & Social Care, and it is thought that a paper copy of the document is stored at the University but cannot be accessed due to the Coronavirus Pandemic. For the other 19 students, the Skills Scan had been completed and signed off by the Academic before the student's first date of learning.

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

STAFF INTERVIEWED

BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

Alison May	Head of Apprenticeships and Employer Sponsored Provision
Heather Collins	Apprenticeship Implementation Manager
Oscar Stephenson	Apprenticeship Administrator
Jenny Vent	Deputy Assistant Registrar
Wendy Salmon	Senior Academic Registrar - External Returns
David Learmont	LEAP Programme Director
Julian Rigby	Head of Financial Processing

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

APPENDIX I – DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE	
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.

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

APPENDIX II - TERMS OF REFERENCE

PURPOSE OF REVIEW:

The purpose of this review is to provide assurance over the controls the University has in place to manage its apprenticeships programme specifically with regards to applications, enrolment and reporting.

KEY RISKS:

- LSBU does not have clear guidance to support the effective application, enrolment and reporting of apprentices leading to inefficiencies and inconsistent practices
- Roles and responsibilities are unclear, have not been fully communicated or do not align with defined processes meaning key processes are inefficient or not completed
- Staff are not sufficiently trained to support employers and apprentices effectively engage with the apprenticeship standards
    - Delays in the admission and enrolment process occur due to:
    - Student assessments are not performed in a timely manner
    - Contracts with employers are not signed
    - All the necessary paperwork is not in place
- Unit4 is not kept up to date and/or contains incorrect student data
- Errors in the ILR return mean apprenticeship income is withdrawn
- Synergies and efficiencies are not leveraged with the College

SCOPE OF REVIEW:

This review will be an end to end review of LSBU's process for managing apprenticeships with a specific focus on:

- Policy and procedural framework with relation to applications, enrolment and reporting
- Roles and responsibilities over the application, enrolment and reporting processes
- Staff training
- Apprenticeship admissions and enrolment process to include:
    - Initial needs assessment
    - Employer contracts
    - Supporting paperwork (to include apprenticeship agreement and commitment statement)
- Recording of apprenticeship data within Unit4
- ILR production process and validation process
- Collaboration with Lambeth College over apprenticeships.

However, Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. We assume for the purposes of estimating the number of days of audit work that there is one control

LONDON SOUTH BANK UNIVERSITY, APPRENTICESHIPS

environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

APPROACH:

Our approach will be to conduct interviews to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks.

We will seek to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control through use of a range of tools and techniques.

Specifically, we will conduct an end to end review of the apprenticeship lifecycle from admissions and enrolment through to ILR production and financial forecasting and reporting. Throughout, we will consider whether the processes are well documented, understood and operating in practice. We will confirm whether the associated roles and responsibilities are clearly understood and confirm whether there are any gaps, duplications or key dependencies.

For a sample of 20 apprentices enrolled since 1 August 2019, we will trace them through this process and confirm whether the key processes have been followed.

We will consider how the Apprenticeship, Admissions and Enrolment teams are equipped to discharge their duties and inspect the training currently provided.

The production of the ILR will be inspected to confirm whether this is efficient and whether the processes adopted ensures information reported is accurate, complete and reported on time. We will specifically review the sources of data and the level of manual entry/manipulation involved.

Throughout the review we will consider whether these processes are robust and adaptable to an increasing number of apprenticeships. We will consider how LSBU is working with Lambeth College to leverage efficiencies in the apprenticeship programme based on its experience.

A closing meeting will be held upon the completion of fieldwork.

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South Bank Colleges

	CONFIDENTIAL
Paper title:	Internal Audit – SBC Data Quality
Board/Committee	Group Audit and Risk Committee
Date of meeting:	5 November 2020
Author:	BDO
Executive/Operations sponsor:	Fiona Morey – Executive Principal
Recommendation:	The Committee is requested to note the report

Summary

In Autumn 2019 SBC received a Funding Assurance Review by Mazars on behalf of the ESFA. This covered the 2018-19 funding period and 29 findings raised in the report which identified six under/over claims. Following the audit, an action plan was created to address these findings. This review by BDO sought to establish the actions taken by management to implement the recommendations in the report or to establish alternative controls that have been implemented.

BDO verified that controls have been implemented to address 27 of the 28 recommendations. However, due to Covid-19 restrictions and the availability of evidence they were unable to test and assess the effectiveness of controls in all instances. However, they were able to confirm the effectiveness of controls in 13 instances.

Recommendation:
The Committee is requested to note this report

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SOUTH BANK COLLEGES

INTERNAL AUDIT REPORT – REVISED DRAFT

DATA QUALITY – FOLLOW UP OF ESFA AUDIT
SEPTEMBER 2020

SOUTH BANK COLLEGES – DATA QUALITY

DISTRIBUTION	
Alistair Dunkwu	Head of MIS and Exams
REPORT STATUS LIST	
Auditors:	Emma Higgins
Dates work performed:	20 July – 10 August 2020
Draft report issued:	23 September 2020
Final report issued:	23 October 2020

SOUTH BANK COLLEGES – DATA QUALITY

EXECUTIVE SUMMARY

BACKGROUND:

In Autumn 2019 SBC received a Funding Assurance Review by Mazars on behalf of the ESFA. This covered the 2018-19 funding period. 29 findings raised in the report which identified six under/over claims.

These errors were subsequently updated on the Individual Leaver Record (ILR). The main error identified in the review was an under claim of £57,547 relating to learners funded at a co-funded rate when they should have been at a full funding rate.

Following the audit an action plan was created by the Head of MIS and Exams to ensure that the ESFA funding rules are followed. This included a description of the process that should be followed and individual actions that should be taken.

While the MIS team is responsible for the ESFA submission there are also processes in relation to student outcomes and enrolments that are handled by the Exams team and Enrolment team, respectively.

SCOPE AND APPROACH:

We held interviews with a number of key individuals including the Head of MIS and Exams, Apprenticeship Manager, Business Development Specialist, Timetabling & Funding Compliance Coordinator, Exams Manager and Customer Services & Admissions Coordinator.

We sought to establish the actions taken by management to implement the recommendations in the report or to establish alternative controls that have been implemented. For the controls identified and processes in place evidence was sought to verify their existence and effectiveness.

The audit was undertaken whilst remote working restrictions were still in place and therefore the audit was conducted remotely using Microsoft Teams meetings and screen sharing. Student files are currently held in paper form onsite and as such we were unable to access these during the audit. There were also a number of staff members that were on leave and this limited our ability to identify and test the controls in place.

CONCLUSION:

We have verified that controls have been implemented to address 27 of the 28 recommendations. However, due to Covid-19 restrictions and the availability of evidence we were unable to test and assess the effectiveness of controls in all instances. We were able to confirm the effectiveness of controls in 13 instances.

Although not a previous recommendation, we did note that there were no logs to verify that discrepancies on the PSAT has been checked and corrected.

The table below provides a summary of the status of the recommendations at the time of review:

Section	Total Recs	Design implemented	Effectiveness verified
Carry-in apprenticeships and adult education budget testing	10	10	7
Apprenticeship programme (for starts from 1 May 2017)	4	4	0

SOUTH BANK COLLEGES – DATA QUALITY

Subcontracting	3	3	3
Advanced Learner Loans and Loans Bursary	2	2	1
ESF match	2	2	0
16 to 19 study programmes	8	7	2
Total	**29**	**28**	**13**

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

Ref	Original finding/ issue	Recommendation	Control implemented	Test result	Control design verified	Control effectiveness verified
1.1	Potential duplicate learners contained within the ILR.	You must ensure that the ILR does not include duplicate learners. Regular review of PDSAT 19B-002 will facilitate this.	The PDSAT should be run at least monthly and the PDSAT 20B-002 will be reviewed for duplicates.	We have seen evidence of the PDSAT being run regularly and between each ILR submission. It was not run in March 2020 due to difficulties accessing the systems remotely during lock down. Evidence of a PDSAT being run in June 2020 was not available as it was not saved to the drive. We were informed that they are run more regularly but are not always saved due to IT storage limits.	✓	✓
1.2	Funders enrolled on English and/or Maths learning aims have been funded at the co-funded rate where they should have been funded at full funding rate.	The College must ensure that learners are funded at the correct rate. Regular review of PDSAT 19A-105 will facilitate this.	The PDSAT should be run at least monthly and review of PDSAT 20A-105 forms part of this review. There are also validation reports that can be run to identify potential funding errors. However, there are no requirements on how regularly these reports should be run.	As per 1.1 The report is being run but this section is not always being annotated to confirm that it is being reviewed.	✓	X

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

1.3	19+ apprentices with full funding claimed instead of co-funding.	19+ apprentices must not be fully funded unless specific criteria are satisfied. Regular review of PDSAT 19A-201 will assist in finding cases where this is occurring.	The PDSAT should be run at least monthly and review of PDSAT 20A-201 forms part of this review.	As per 1.1	✓	✓
1.4	Enrolments on level 2 learning aims that are not part of the legal entitlement.	The College must ensure that learners are funded at the correct rate. Regular review of PDSAT 19A-404 will help identify learners with prior attainment below level 2 that are enrolled on a level 2 learning aim that is not part of the legal entitlement.	The PDSAT should be run at least monthly and review of PDSAT 20A-404 forms part of this review.	As per 1.1	✓	✓

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

1.5	Learners with prior attainment below level 3 funded by an Advanced Learner Loan.	The College must check that learners aged 19 to 23 with prior attainment below level 3 (or not known) that are being funded by an Advanced Learning Loan when they may be eligible for full funding under the adult education budget. Regular review of PDSAT 19A-406 will help with this task.	The PDSAT should be run at least monthly and review of PDSAT 20A-406 forms part of this review. Where records have been identified as potential anomalies in PDSAT 20A-406 these will be investigated. Where required, the ILRs will then be updated. Annotations will be added to the PDSAT to explain why records have been identified.	As per 1.1 There were three students included without an annotation. One of these was an error that is being fixed and the others required review of files on-site. However, we can see the report is being reviewed.	✓	✓
1.6	Learning aims with planned duration of one day being incorrectly recorded.	Learning aims must only be reported in the ILR if there is evidence that learning is taking or has taken place. Learners that enrol but do not attend a single episode of learning must not be reported. Review of PDSAT 19A-502 will assist in this task.	The PDSAT should be run at least monthly and review of PDSAT 20A-502 forms part of this review.	As per 1.1 We reviewed the past three PDSATs which had been saved to the shared folder and there were anomalies on the 27 May 2020 report. These do not occur on the latest PDSAT and as such have been updated or removed.	✓	✓

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

1.7	Learning aims with actual duration of one day.	Learning aims must only be reported in the ILR if there is evidence that learning is taking or has taken place. Learners that enrol but do not attend a single episode of learning must not be reported. Review of PDSAT 19A-503 will assist in this task.	The PDSAT should be run at least monthly and review of the PDSAT 20A-503 forms part of this review.	As per 1.1 Of the 55 ILRs identified only three of these had an annotation related to them as we understand that the files were onsite. However, we can see that the report is run and reviewed.	✓	✓
1.8	ILR start and end dates do not match the attendance registers.	The College must ensure that the start and end dates recorded on the ILR reconcile to underlying attendance and enrolment evidence.	For internal students, scripts are run from the attendance record systems and re-uploaded to the student record system to show the start and end dates. Attendance records to be provided monthly by subcontractors.	We have seen evidence of the script being run. We have seen evidence of reports being provided by subcontractors.	✓	✓

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

1.9	Evidence of initial assessment not retained	Evidence of initial advice given to the learners must be maintained by the College.	A new online enrolment process has been implemented and the staff member providing the advice will upload evidence for review by the Enrolment team. When subcontractor enrolment packs are received these will be reviewed and compared to a checklist of documents required.	We have verified that the process has been established but as the process was new testing was not performed. The checklist has been seen but testing could not be completed. An enrolment audit is due to be completed in early 2021. Testing will be performed during that audit.	✓	X

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

1.10	Achievement evidence updates to ILR	The College must continue to update the ILR for achievement evidence on a timely basis.	The Exams Manager will obtain achievement evidence and will update the ILR as required. Staff are able to access Unknown Achievement Reports which details learners who are due to complete their course. Monthly Unknown Achievement Reports are provided to the MIS team for subcontractors and monthly meetings are held to review the report for apprentices. This is to ensure that all achievements have been processed.	We confirmed that staff can access the systems and saw the Unknown Achievements Reports that can be generated.	✓	X

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

Ref	Original finding/ issue	Recommendation	Control implemented	Control verified	Control design verified	Control effectiveness verified
Funding stream: Apprenticeship programme (for starts from 1 May 2017)						
2.1	SMEs not flagged on ILR	You must flag all SME's on the ILR to confirm eligibility for waiver of employer co-investment up to the maximum value of the funding band.	A SME declaration will be included in the learner's enrolment pack by the Apprenticeship team. A flag will then be entered on to the students ILR when enrolment is completed.	We have seen the SME declaration but could not complete testing this is area. An enrolment audit is due to be completed in early 2021. Testing will be performed during that audit.	✓	X
2.2	Off the job training records did comply with the funding rules or attached to the commitment statements.	The College should ensure that the commitment statements say how the off the job training hours should be achieved and record the total. The College must keep off the job training records on the students' files attached to the commitment statements.	There are now being kept in the learner files and is attached to the commitment statements.	We have seen the template and staff have confirmed that this is in place. However, files were on site. An enrolment audit is due to be completed in early 2021. Testing will be performed during that audit.	✓	X

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

2.3	ILR had not yet been updated to reflect achievement	The College must continue to update the ILR for achievement evidence on a timely basis.	Control as per 1.10	As per 1.10	✓	X
2.4	Apprenticeship planned durations incorrect	PDSAT 19A-213 should be reviewed termly by the College to identify any potential funding errors.	The PDSAT should be run at least monthly and review of PDSAT 20A-213 is included. Potential anomalies will be investigated and the ILRs updated, where required.	As per 1.1 The report is being run but this section is not always being annotated to confirm that it is being reviewed.	✓	X

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

Ref	Original finding/ issue	Recommendation	Control implemented	Control verified	Control design verified	Control effectiveness verified
Funding stream: Subcontractors						
3.1	Incorrect subcontractor declaration	You must include all subcontractors on the subcontractors' declaration. The declaration should be periodically reconciled to the ILR.	The subcontractor declaration will now be checked to the ILR.	Three subcontractors were on the subcontractor declaration that did not appear on PDSAT 20A-108. These related to historic subcontractors that were no longer used. The declaration has been updated and resubmitted.	✓	✓
3.2	Subcontractor did not have contract in place	Legally binding contracts must be in place for all subcontractors. A contract should be put in place for Let Me Play Ltd.	Contracts should be in place for all subcontractors.	Our subcontractor audit confirmed that contracts were in place for all subcontractors.	✓	✓
3.3	The subcontractor Astro Martin Ltd does not appear on the published register of apprenticeship training providers.	All subcontractors should be on the published register of apprenticeship training providers if it is delivering more than £100k of apprenticeship. The College should establish why Astro Martin Ltd is not on the register.	Due diligence checks will be completed on all subcontractors and all apprenticeship providers will be checked to the published register of apprenticeship training providers as part of due diligence.	Our sub-contractor audit confirmed that Astro Martin Ltd was on the RoTP register. It is no longer delivering apprenticeships for the College and the requirement for the College to check the RoATP is no longer applicable.	✓	✓

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

Ref	Original finding/ issue	Recommendation	Control implemented	Control verified	Control design verified	Control effectiveness verified
Funding stream: Advanced learner loans and loans bursary						
4.1	ILR start and end dates do not match the attendance registers	The College must ensure that the start and end dates recorded on the ILR reconcile to underlying attendance and enrolment evidence. The College must undertake periodic checks of the ILR to underlying records in order to confirm the accuracy of the learners ILR status.	Control as per 1.8	See 1.8	✓	✓
4.2	Learning agreement not signed	The College must ensure that the students sign the learning agreements.	The online enrolment process will require learners to use Docusign to sign their learning agreement. File audits will also be carried out. Sub-contractor enrolment packs are reviewed to check these are included.	Online enrolment was being rolled out at the time of the audit so was not in place to check. Evidence of file audits was obtained. Subcontractor evidence was held onsite and could not be provided. An audit of the new enrolment process is due to take place during 2020/21 so testing of this process will be included.	✓	X

SOUTH BANK COLLEGES – DATA QUALITY

DETAILED FINDINGS

Ref	Original finding/ issue	Recommendation	Control implemented	Control verified	Control design verified	Control effectiveness verified
Funding stream: ESF Match						
5.1	A review of PDSAT 19A-519 European Social Fund data for directly funded and match - funding provision identified learners whereby the learning aim record was reported as having key ILR data fields missing/unknown.	The College to ensure key ILR fields relating to ESF direct and match funding are periodically checked for accuracy and completeness in conjunction with all other data interrogation processes, including PDSAT reviews, already run by the College.	The PDSAT should be run at least monthly and review of PDSAT 20A-519 will be form part of this.	As per 1.1	✓	X
5.2	Statements to inform learners that they are on an ESF match funded programme was not present on enrolment forms.	The statement to inform the learners about ESF match must be present on the enrolment forms.	The enrolment form has been updated to include a statement on the ESF match.	We were provided with a template of the new form. However, learner files were inaccessible as they were onsite. An audit of the new enrolment process is due to take place during 2020/21 so testing of this process will be included.	✓	X

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

Ref	Original finding/ issue	Recommendation	Control implemented	Control verified	Control design verified	Control effectiveness verified
Funding stream: 16 to 19 study programmes						
6.1	Learning hours may be overstated.	You must investigate cases where there are large volumes of weekly planned study hours, which could indicate that the number of hours recorded and the associated funding may be overstated. Review of PDSAT 19Y-202 will facilitate this.	The PDSAT should be run at least monthly and this will be reviewed.	As per 1.1	✓	X
6.2	Learners incorrectly recorded on short courses	The College must review cases where learners are on study programmes of no more than four weeks to see if these are correctly recorded on the ILR. Review of PDSAT 19Y-206 will facilitate this exercise.	The PDSAT should be run at least monthly and review of PDSAT 20Y-206 forms part of this review.	As per 1.1	✓	X

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

6.3	Learner end dates incorrect.	The College must ensure that the start and end dates recorded on the ILR reconcile to underlying attendance and enrolment evidence.	Control as per 1.8	See 1.8	✓	✓
6.4	ILR consistent with learning agreement	The ILR must be consistent with learning agreement. The College should undertake periodic checks of the learning agreements in order to confirm that they are completed accurately.	Learners will be required to upload evidence of prior attainment to the online enrolment system. This will be checked by the Enrolment team. Subcontractor packs will be checked.	We have reviewed the design of the control but as this process had not yet commenced and we were unable to verify checks were performed on learner files or subcontractor documents as they were held onsite.	✓	X
6.5	Core learning aim was not recorded correctly when learners transfer programmes	You must ensure that the core learning aims are recorded correctly particularly following a transfer from one course to another.	Core learning aims are changed when a student changes course if required. This is manual. There are no checks made or reports generated to verify these are accurate.	No central records are maintained or checks performed to ensure these are accurate. We were also unable to test whether these were processed correctly as forms were onsite.	X	X

SOUTH BANK COLLEGES - DATA QUALITY

DETAILED FINDINGS

6.6	Inconsistent start and end dates between IRL and register	The College must ensure that the start and end dates recorded on the ILR reconcile to underlying attendance and enrolment evidence.	Control as per 1.8	See 1.8	✓	✓
6.7	Learner agreements not signed	The College must ensure that the learning agreements are signed by the students.	Control as per 4.2	See 4.2	✓	X
6.8	Eligibility evidence was not sufficient in one instance.	The College must retain evidence that eligibility has been checked. The College should record the information it has seen to support eligibility.	Control as per 6.4	See 6.4	✓	X

SOUTH BANK COLLEGES – DATA QUALITY

STAFF INTERVIEWED	
BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.	
Michael Clarke	Customer Services & Admissions Supervisor
Alistair Dunkwu	Head of MIS and Exams
Adebayo Emanuel	Business Development Specialist
Uzma Sadiq	Apprenticeship Manager
Michelle Lawrence	Timetabling & Funding Compliance Coordinator
Tavinder Nota	Exams Manager

SOUTH BANK COLLEGES – DATA QUALITY

APPENDIX I – DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE	
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.

SOUTH BANK COLLEGES – DATA QUALITY

APPENDIX II - TERMS OF REFERENCE

PURPOSE OF REVIEW:

The purpose of the audit is to provide assurance over the extent to which the College has implemented controls to address the findings identified in the ESFA funding audit report.

KEY RISKS:

Based upon the risk assessment undertaken during the development of the internal audit operational plan, through discussions with management, and our collective audit knowledge and understanding the key risks associated with the area under review are:

- The College fails to implement appropriate controls to address the issues identified in the ESFA's Funding Assurance Review.

SCOPE OF REVIEW:

We will review the controls the College has implemented to address each of the recommendations included within the ESFA Funding Assurance Review. We will verify whether the controls have been implemented effectively and are being applied in practice. Our testing may include system walkthroughs, sample testing or data analytics where appropriate.

However, Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. We assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

APPROACH:

Our approach will be to conduct interviews to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks.

We will seek to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control through use of a range of tools and techniques.

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	CONFIDENTIAL
Paper title:	Internal Audit – SBC Health and Safety
Board/Committee	Group Audit and Risk Committee
Date of meeting:	5 November 2020
Author:	BDO
Executive/Operations sponsor:	Fiona Morey – Executive Principal
Recommendation:	The Committee is requested to note the report

Summary

In their review of Health and Safety at South Bank Colleges, 7 findings were identified in total, one, in relation to COSHH assessments, being rated high significance. Overall, BDO have given a limited level of assurance for the design and moderate level of assurance for the operational effectiveness of controls.

It is planned in the 5 year Group IT Strategy, for a move to an integrated IT infrastructure and centralised IT functions as part of the target operating model. Roles associated with cyber security will transition to a centralised Group structure, supporting a unified approach to various cyber security concerns, such as threat detection, incident management, training & awareness, security design and governance of policies and processes.

Recommendation:
The Committee is requested to note this report

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LONDON SOUTH BANK UNIVERSITY GROUP

INTERNAL AUDIT REPORT – FINAL

SOUTH BANK COLLEGES - HEALTH AND SAFETY
OCTOBER 2020

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Limited	Moderate

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

DISTRIBUTION	
Edward Spacey	Acting Director of Group Assurance
Ben Baker	Group Health and Safety Manager
REPORT STATUS LIST	
Auditors:	Jenny Obee
Dates work performed:	26 June - 9 July 2020
Draft report issued:	12 August 2020
Final report issued:	23 October 2020

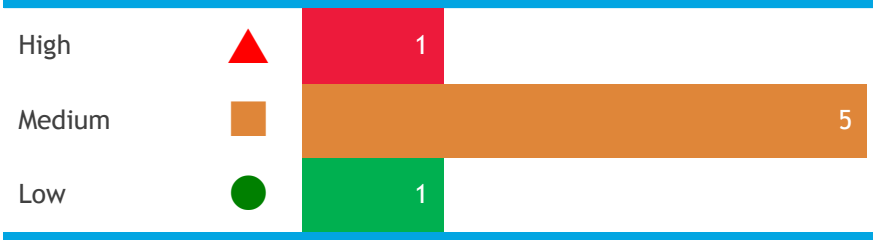
LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)

Design	System of internal controls is weakened with system objectives at risk of not being achieved.
Effectiveness	Evidence of non compliance with some controls, that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)



TOTAL NUMBER OF RECOMMENDATIONS: 7

BACKGROUND:

In 2019 Lambeth College became part of the London South Bank University Group as South Bank Colleges (SBC). As part of the transition programme, an in depth review of health and safety arrangements at the College were carried out and a programme of actions put in place with oversight by the Joint Transition Executive Group (TJEG). This was wound up in December 2019 and new matrix style health and safety responsibilities and reporting structures were established. There had previously been a Health and Safety Manager at the College who reported to the Principal and the Health and Safety Committee (HSC). This post was vacant at the start of 2019 and HSC meetings were in abeyance. In February 2020 a Health and Safety Advisor (HSA) was appointed at SBC, reporting to the LSBU Group Health and Safety Manager (GHSM), who was appointed in March. Shortly after their appointments the College was closed due to the COVID 19 lockdown. The HSA is responsible for developing policies and day to day health and safety management at SBC for areas relating to staff, students and college activities including personal emergency evacuation plans (PEEPS), and fire evacuations. The Estates & Technician Manager at SBC is responsible for all health and safety matters relating to the estate, including fire safety equipment, asbestos and legionella. He reports to the Group Deputy Director of Estates at LSBU.

Asbestos surveys and legionella and fire risk assessments are carried out annually by external specialists. The Estates & Technician Manager manages the completion of remedial works by third party contractors. A compliance dashboard is being developed in conjunction with the LSBU Estates team to monitor completion of key safety checks, surveys and risk assessments.

In August and September 2019 an audit was carried out by consultants Alcumus of hazardous chemicals in use within the Science and Creative Digital departments in accordance with COSHH requirements. Out of date and redundant chemicals were removed in April 2020 by specialists Anglian. The HSA is currently drafting a new COSHH policy.

The SBC HSC was reconstituted in May 2020 and meets at least monthly. The HSA maintains a schedule of health and safety remedial actions arising from risk assessments, surveys, audits etc and reports progress against these to the Committee. Ultimate responsibility for health and safety lies with the SBC Board of Governors.

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

There is also a Joint Health and Safety Committee for the Group which meets termly. It was agreed in January 2020 that in future it would receive updates on health and safety matters at SBC.

The purpose of the review was to provide independent assurance as to whether appropriate controls are in place to mitigate the key risks over health and safety at SBC, specifically relating to fire, legionella and asbestos.

SCOPE AND APPROACH:

We interviewed staff at SBC and LSBU Group with responsibilities for health and safety and reviewed key documents to establish the arrangements SBC has in place in relation to the management of health and safety, principally asbestos, legionella and fire safety In particular we considered:

- Whether there were appropriate policies, procedures and management plans in place whether staff understood these and their roles and responsibilities, and whether these were actioned effectively.
- Whether legionella and fire risk assessments and asbestos surveys had been carried out and by competent contractors.
- If there were COSHH policies in place, whether there were up to date risk assessments, how hazardous chemicals are identified and assessed, and how out of date chemicals are removed.
- The processes in place to monitor completion of remedial actions and tested a sample of ten closed actions to supporting evidence.
- Assessed how fire safety equipment identified and the frequency of safety checks is monitored. We were unable to carry out data analytics because the due dates were not recorded.
- If there were up to date PEEPS policies and reviewed how PEEP assessments were carried out for staff and students.
- How staff and contractors are made aware of the presence of potential asbestos containing materials prior to carry out works.
- What processes were in place to monitor contractor performance.
- The role of the Health and Safety Committee and the Board in providing oversight of health and safety and the appropriateness of the information provided to these bodies, including an assessment of the most recent reports provided to them.

GOOD PRACTICE:

We identified the following areas of good practice during our review:

- New fire evacuation plans have been drawn up for the Clapham and Brixton sites and fire warden training provided. Drills were carried out in October and November 2019, and are scheduled for September 2020.
- New PEEPs policies have been drafted. The new forms for students/staff and visitors, the process and reason for change were briefed to all who attended the Fire warden training which included all manager and the receptionists. PEEPs will be tested during the September fire drills.
- A compliance dashboard has been introduced in Estates at SBC with the intention of tracking the completion of health and safety surveys, risk assessments, legionella

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

testing and fire safety equipment checks. This is a work in progress but already provides visibility to the Deputy Director of Estates of health and safety compliance at SBC.

KEY FINDINGS:

This audit was carried out at a time when health and safety arrangements at SBC had recently changed and were not yet fully embedded. Matrix management structures have been introduced and these seem to be working and providing SBC staff with access to increased support and experience from LSBU. Templates from Group Estates such as the asbestos management plan and the compliance dashboard will be valuable when they have been fully adapted to and adopted by SBC. A number of new policies have been put in place, such as the PEEPS and fire evacuation policies, others are in development or yet to be drawn up. This report therefore represents a snapshot in time, although we have also indicated direction of travel where that is possible. Consequently our recommendations seek to support the new structure, processes and direction. We have however reflected the degree of risk in issues as they stood at the time of the audit and this is borne out by the ratings given. It should also be noted that the College shutdown in March due to COVID 19 impacted the HSA's ability to progress and implement actions to address areas of concern that she identified after her appointment in February.

We raised one finding of a high significance, five findings of a medium significance and one finding of low significance.

Whilst our findings cover a number of areas for improvement the key consideration is that reporting to the SBC HSC and Board does not provide sufficient oversight of the current status of health and safety management at the College to those who have ultimate responsibility for this area.

Monitoring and reporting arrangements need to be strengthened, including the estates compliance tracker, the tracking of remedial actions from surveys and risk assessments and the depth of reporting to the SBC Board and HSC.

Although much work has been done to identify and remove hazardous chemicals there were a substantial number of overdue COSHH risk assessments relating to the handling of chemicals in the science and digital departments.

Policies procedures and management plans in relation to asbestos, legionella and fire safety are not yet complete or consistent.

Performance management reviews need to be put in place for contractors and processes formalised for notifying contractors of possible asbestos containing materials prior to them carrying out work.

CONCLUSION:

Although the necessary controls are not fully in place health and safety activity has largely been managed effectively with the exception of the COSHH risk assessments. We are therefore able to provide limited assurance over the design and moderate assurance over the effectiveness of the controls SBC has in place in relation to mitigate the key risks over health and safety, specifically relating to fire, legionella and asbestos. However, only limited assurance is provided on the effectiveness of the COSHH risk assessment process.

OUR TESTING DID NOT IDENTIFY ANY CONCERNS SURROUNDING THE CONTROLS IN PLACE TO MITIGATE THE FOLLOWING RISKS:

✓ Inappropriate oversight of the College's health and safety arrangements

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

- ✓ Fire risk assessments and legionella risk assessments are not carried out and/or not carried out by competent individuals
- ✓ Personal Emergency Evacuation Plans (PEEPs) are not put in place for staff/ students who require them and/or they are not periodically reviewed and updated

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

DETAILED FINDINGS

RISK: COSHH RISK ASSESSMENTS ARE NOT BEING CARRIED OUT AND/OR CHEMICALS ARE OUT OF DATE

Ref	Sig.	Finding
1	▲	As at 9 July 2020 there were 153 COSHH risk assessments which were overdue. COSHH (the Control of Substances Hazardous to Health) risk assessments identify substances and activities where there may be exposure to hazardous substances, used or generated, which may damage health. They are carried out by technicians in the Science and Digital department using the CLEAPSS website, an organisation providing support for science and technology in schools and colleges. The overdue risk assessments were identified by the HSA but staff were not available on-site to remedy this whilst the College was closed. However, they were overdue before the College closed. There is no central register of COSHH risk assessments at the College although we understand IT has been requested to set-up a repository in SharePoint. A new COSHH policy was in the process of being drawn up at the time of the audit but is not expected to be progressed until staff return in September roles and responsibilities need to be agreed with them first. The Group HSM reported that future COSHH audits of hazardous chemicals will be expanded to include a review of whether risk assessments are up to date. There is a risk that hazardous chemicals used in the Science and Digital departments are not being managed and stored safely or are out of date, that staff are not aware of their responsibilities in relation to COSHH including completing regular risk assessments.

RECOMMENDATION:

COSHH risk assessments should be brought up to date and a process put in place to monitor and report on any overdue risk assessments.

MANAGEMENT RESPONSE:

Completion of this work was delayed by the College being closed and latter sickness of a number of technicians responsible for completing the COSHH assessments. The Deputy Principal, Hassan Rizvi has taken ownership and is supporting the Head of Faculty to ensure this is completed as soon as possible. The Safety Advisor, is also providing support by running risk assessment courses for technicians. The first was completed on the 15 October and the next two are booked for 4 November. At each Safety Committee, Hassan Rizvi is reporting progress in this area, so that the committee can monitor ongoing arrangements to support all staff involved and completion of this work.

The College did not have a risk assessment policy prior to the audit. Subsequently, the Safety Advisor has written one which has consulted with the unions and approved by the safety committee on 29 September 2020. The Safety Advisor has also written the COSHH policy as there wasn't one, it is currently undergoing consultation and it is expected to be approved at the next safety committee.

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

Responsible Officer:	Health and Safety Adviser and Deputy Principal-Curriculum and Quality
Implementation Date:	31 January 2021

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

DETAILED FINDINGS

RISK: HEALTH AND SAFETY RELATED INFORMATION REPORTED TO BOARD (OR OTHER COMMITTEE) IS INCOMPLETE, INAPPROPRIATE, INACCURATE, UNTIMELY OR UNCLEAR.

Ref	Sig.	Finding
2		Health and safety reporting to the SBC Health and Safety Committee and Board of Governors does not contain key metrics. Health and safety reporting is largely narrative and reports do not contain key metrics such as accidents and incidents, timeliness of legionella and fire risk assessments and asbestos surveys or the level of uncompleted remedial actions arising from audits, surveys and risk assessments. The Group Health and Safety Manager was aware of the reporting issues and at the time of the audit was developing an accident and incidents reporting process. There is a risk the Board and the HSC do not receive key compliance data for health and safety activities.

RECOMMENDATION:

Health and safety reporting should be expanded to include key metrics and trends. Health and safety KPIs should be developed and reported on. For example at Group the compliance dashboard is included in the reporting to the Joint HSC.

MANAGEMENT RESPONSE:

OSHENS incident reporting software will be made available at Lambeth College from October 2020. The software consolidates all the need to know information in one convenient place allowing for better reporting to the Board of Governors on key matrices such as accidents and incidents reporting, and risk assessment monitoring.

The Terms of reference and agenda of the safety committee were amended following this audit to better record as accidents and incidents, timeliness of legionella and fire risk assessments and asbestos surveys or the level of uncompleted remedial actions arising from audits, surveys and risk assessments. Estates departments now has an item on the agenda of each safety committee where they report on the above. The risk register containing remedial actions arising from audits, surveys and risk assessments is shared with all regularly and sent to all safety committee members. It is also discussed at the safety committee as an item on the agenda.

Responsible Officer:	Group Health and Safety Manager and Health and Safety Adviser
Implementation Date:	30 November 2020

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

RISK: POLICIES AND PROCEDURES THAT GOVERN THE AREAS OF FIRE SAFETY, LEGIONELLA AND ASBESTOS AT THE COLLEGE ARE NOT UP TO DATE OR BEING ADHERED TO.		
Ref	Sig.	Finding
3		Policies, procedures and management plans in relation to fire safety, legionella and asbestos are not complete and up to date. • Although there is a fire safety policy covering fire evacuations there is no documented policy or management plan for the monitoring and servicing of fire safety equipment and the carrying out of fire risk assessments and follow up actions. • There is no documented legionella policy or management plan. • The Asbestos Management Plan incorporates an asbestos policy. However, it is in draft and has been based on the LSBU plan, parts of which are not applicable to SBC. The Health and Safety policy is out of date and does not accurately reflect roles and responsibilities. A new policy is being drafted but is not yet in place. Staff responsible for fire safety, legionella and asbestos appear to understand their responsibilities and to be managing these areas appropriately. However, documented policies and procedures set out the College's approved approach to health and safety management and provide guidance to ensure consistent compliance, particularly if there are changes of staff.

RECOMMENDATION:
Health and safety policies and procedures for fire safety and legionella should be put in place and the asbestos management plan should be finalised. These should be communicated to staff and contractors.

MANAGEMENT RESPONSE:	
The College Health and Safety policy has been updated and was approved at the SBC Board meeting in September 2020. A Fire policy will also be created in addition to the Fire Evacuation Plan which is already in place. Health and Safety and Estates will write the Legionella and asbestos policies.	
Responsible Officer:	Head of Estates, Group Health and Safety Manager, Health and Safety Adviser
Implementation Date:	31 March 2021

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

RISK: EXTERNAL CONTRACTORS AND STAFF ARE NOT INFORMED OF THE LOCATION OF ASBESTOS CONTAINING MATERIALS OR WHERE ASSUMED ASBESTOS CONTAINING MATERIALS ARE LOCATED PRIOR TO COMMENCING WORK

Ref	Sig.	Finding
4		There is no process to record whether contractors have been provided with the latest asbestos register before carrying out works at the College. According to the Asbestos Management Plan contractors involved in facilities management activities should be provided with the asbestos register. However, there is no process in place to ensure this happens and no evidence that it has happened with the existing facilities management contractors. In addition risk 10 in the Health and Safety risk register of remedial actions 'Limited management control of contractors visiting the centres and being made aware of the risk of exposure to asbestos' was closed although there is no process in place to make contractors aware of the risk of exposure to asbestos. There is a risk that contractors carry out work where asbestos containing materials (ACMs) are present without being aware of this and taking appropriate precautions.

RECOMMENDATION:

A process should be put in place to notify contractors of ACMs. This should be documented, so that there is an audit trail of them receiving the information such as a copy of the asbestos register and a sign-up sheet for contractors to complete when they come on-site.

MANAGEMENT RESPONSE:

Head of Estates will update the Asbestos Management Plan. Health and Safety and Estates will write the Asbestos Policy, and Contractor Management Policy.

Responsible Officer:	Head of Estates, Group Health and Safety Manager, and Health and Safety Adviser
Implementation Date:	31 March 2021

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

RISK: LACK OF MONITORING OF CONTRACTOR PERFORMANCE		
Ref	Sig.	Finding
5		There are no formal processes for monitoring the performance of contractors carrying out H&S risk assessments, surveys and safety equipment servicing. It was also noted that the contractor used for asbestos surveys has been in place for several years (although the exact time could not be confirmed) without being retendered. There is a risk that contractors fail to meet appropriate quality standards.

RECOMMENDATION:
Consistent procurement and contract management practices should be applied across the LSBU Group, including SBC. This should include regular retendering and contract performance monitoring such as completing surveys and risk assessments within deadlines.

MANAGEMENT RESPONSE:	
A New Contractor Management Policy and Asbestos Policy will be drafted by Head of Estates with support from Health and Safety.	
Responsible Officer:	Head of Estates, Group Health and Safety Manager, and Health and Safety Adviser
Implementation Date:	31 March 2021

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

RISK: ACTIONS IDENTIFIED DURING RISK ASSESSMENTS/SURVEYS ARE NOT IMPLEMENTED

Ref	Sig.	Finding
6		There was missing and inaccurate information in the Health and Safety Action Tracker. The Health and Safety Advisor receives copies of health and safety surveys and risk assessments and updates the register for any remedial actions arising. However, she does not have a copy of estates management plans, so may not be aware if she has not received a copy of a report. We noted that the actions arising from the most recent asbestos update survey were not recorded in the tracker. The Health and Safety Advisor (HSA) is notified by Estates when actions have been closed and updates the tracker. However, evidence of their closure is not provided and we found one item that had been incorrectly closed (see finding 4). Evidence of actions taken to close actions is not retained and for six closed items that we tested there was no evidence to verify that the action had been taken. We understand that the HSA planned to validate physical evidence of closed actions with the Estates & Technician Manager but that this was not possible while the College remained closed. There is a risk that remedial actions are not completed or that reporting is not accurate.

RECOMMENDATION:

The Health and Safety Advisor should be provided with a schedule of planned surveys and risk assessments to ensure she receives a copy of the related reports.

Evidence of closure of actions should be sent to the Health and Safety Advisor for any red rated actions and periodic spot checking of amber actions could be carried out to validate that actions have been taken.

MANAGEMENT RESPONSE:

The Health and Safety Advisor should be provided with a schedule of planned surveys and risk assessments.

Verification of actions taken place had not been possible before the audit as the College was closed due to Covid. On 2 September, the Health and Safety Advisor met with the Head of Estates to carry out verification of items closed, and this was recorded in the risk register. Further meetings will take place to ensure on-going verification.

Responsible Officer:	Health and Safety Adviser
Implementation Date:	30 September 2020

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

RISK: FIRE SAFETY EQUIPMENT IS NOT SUBJECT TO PERIODIC SERVICING		
Ref	Sig.	Finding
7		The Compliance Dashboard does not contain due dates for safety checks on fire safety equipment. An estates compliance dashboard has been introduced at SBC for health and safety actions such as risk assessments, surveys, and checks on fire safety equipment and legionella testing. It uses RAG rating to show whether actions have been completed or are overdue, but does not contain due dates so it is not possible to identify how overdue actions are. Actions could be substantially overdue but it would not be possible to identify and escalate these.

RECOMMENDATION:
Due dates should be added to the dashboard to enable exception reporting.

MANAGEMENT RESPONSE:	
Due dates for the Dashboard will be added by the Head of Estates.	
Responsible Officer:	Head of Estates
Implementation Date:	October 2020

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

OBSERVATIONS

ASBESTOS REGISTER

The schedule of asbestos containing materials (ACMs) is set out in the 2019 asbestos refurbishment survey completed by contractor Global Environmental in 2019 and SBC has made the decision to treat this as its asbestos register.

COSHH: ESTATES CHEMICALS

The most recent chemical audit by Alcumus did not include chemical held by Estates. However, we understand that there are very few chemicals stored in estates areas, that they are principally cleaning chemicals and that COSHH risk assessments have been carried out for these. We were not able to verify this as these were held in hard copy onsite and were inaccessible during the audit. It is intended that they will be included in the next annual audit of hazardous chemicals.

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

STAFF INTERVIEWED

BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

Ruth Arrola	Health and Safety Advisor
Ben Baker	Group Health and Safety Manager
Mark Horton	Estates &Technician Manager: Science & Dental Technology
Richard Poulson	Deputy Director of Estates
Edward Spacey	Acting Director of Group Assurance

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

APPENDIX I - DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE	
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.

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

APPENDIX II - TERMS OF REFERENCE

PURPOSE OF REVIEW:

The purpose of this review is to provide independent assurance as to whether appropriate controls are in place to mitigate the key risks over health and safety, specifically relating to fire, legionella and asbestos.

KEY RISKS:

- Policies and procedures that govern the areas of fire safety, legionella and asbestos at the College are not up to date or being adhered to.
- Lack of monitoring of contractor performance
- Inappropriate oversight of the College's health and safety arrangements
- Health and safety related information reported to Board (or other committee) is incomplete, inappropriate, inaccurate, untimely or unclear.
- Roles and responsibilities over the management of fire safety, legionella and asbestos have not been clearly assigned, understood and/or staff responsible are not discharging these responsibilities.
- Fire risk assessments and legionella risk assessments are not carried out and/or not carried out by competent individuals
- Asbestos surveys are not carried out and/or not carried out by competent individuals
- COSHH risk assessments are not being carried out and/or chemicals are out of date
- Actions identified during risk assessments/surveys are not implemented
- Fire safety equipment is not subject to periodic servicing
- Personal Emergency Evacuation Plans (PEEPs) are not put in place for staff/ students who require them and/or they are not periodically reviewed and updated
- External contractors and staff are not informed of the location of asbestos containing materials or where assumed asbestos containing materials are located prior to commencing work

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

SCOPE OF REVIEW:

The review will focus on the adequacy and effectiveness of the controls in place to ensure that South Bank College are discharging their responsibilities with respect to Health and Safety:

- Policies and procedures relating to fire safety, legionella and asbestos
- Roles and responsibilities relating to fire safety, legionella and asbestos
- Fire and legionella risk assessment process
- Asbestos survey process
- COSHH risk assessment processes and disposal of out of date chemicals
- Monitoring of the implementation of actions arising from fire risk assessments, legionella risk assessments and asbestos surveys
- Servicing of fire safety equipment and identification of all equipment that requires servicing
- Personal Emergency Evacuation Plans
- Information provided to contractors and staff with regards to asbestos containing materials
- Oversight and management of contractors performing fire and legionella risk assessment, servicing of fire safety equipment and asbestos surveys.
- Governance and oversight arrangements of the College's health and safety arrangements
- Health and safety related information reported to the Board.

However, Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. We assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

APPROACH:

Our approach will be to conduct interviews to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks. Specifically:

- *Policies and procedures* – We will review the policies in place for the areas under review, legionella, fire and asbestos and assess whether they are up to date, in line with current regulations, and are made available to staff and contractors (where appropriate). Throughout our audit we will assess whether they are being complied with.
- *Roles and Responsibilities* – We will assess whether roles and responsibilities for the management and oversight of fire safety, legionella and asbestos have been clearly assigned, staff are aware of these and are discharging their duties appropriately. We will also assess whether these are clearly articulated in related policies and procedures.
- *Risk assessments* and surveys – We will review the controls in place to manage fire and legionella risk assessments and asbestos surveys in line with statutory requirements and assess whether the performance of contractors carrying out these assessments is regularly reviewed.
- *COSHH* – We will assess whether there are robust controls in place to manage the COSHH risk assessment process and to dispose of chemicals which are out of date. This will also assess whether chemicals are held securely.
- *Implementation of actions* – We will review the controls the College has in place to manage actions arising from risk assessments. We will select a sample of actions and assess whether there is evidence in place to demonstrate the actions have been closed. We will also establish whether there is a robust approval process in place where it is deemed actions will not be implemented.
- *Fire* safety equipment – We will review the process the College has in place to identify all fire safety equipment that requires periodic servicing/checking. From review of service schedules we will assess whether the fire safety equipment (including fire alarms, fire extinguishers and emergency lighting) is regularly serviced, and whether schedules have been kept up to date. We will assess whether fire drills are regularly undertaken.
- *PEEPS* – We will assess whether the College has appropriate controls in place to identify staff and students who require a PEEP and assess whether these up to date and have been tested.
- *Notification to contractors/staff* - We will assess how the College ensures that contractors/staff carrying out work at the College are made aware of asbestos/assumed asbestos. We will select a sample of five contractors engaged by the College to carry out works and determine whether the information provided to them includes references to asbestos or assumed asbestos and its location.
- *Contractor management* - we will assess whether contractor performance in relation to carrying out risk assessments, servicing and surveys is being appropriately monitored.
- *Governance* – we will assess whether the College has appropriate governance arrangement over health and safety matters.
- Reporting – We will assess how the College ensures information reported to the Board is complete, appropriate, accurate, timely and clear. We will review the latest H&S reports provided to the Board and assess whether the information reported is complete, appropriate, accurate, timely and clear.

LONDON SOUTH BANK UNIVERSITY, SBC - HEALTH AND SAFETY

DATA ANALYTICS:

We have considered the use of data analytics as part of this audit and the following tests will be performed:

KEY RISKS:	DATA ANALYTICS TO PERFORM:
Manual input errors occur in spreadsheets as information for example servicing dates are manually entered	• Detect any errors to formulas in spreadsheets • Identify any service dates which are more than the required frequency since the last check • Identify any service dates which are prior to the previous service • Identify any service due dates which do not align with policy requirements • Identify any service due dates which are for a different year • identify any blank service dates

We will perform the data analytical work in advance of our site fieldwork.
Any exceptions found will be communicated and investigated during our fieldwork.

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