

## Meeting of the Audit Committee

4.00 - 6.00 pm on Thursday, 4 October 2018  
in 1B16 - Technopark, SE1 6LN

### Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
6.	Student Data update	3 - 44	LU

**Date of next meeting**  
**4.00 pm on Thursday, 8 November 2018**

**Members:** Steve Balmont (Chair), Shachi Blakemore, Duncan Brown, Mee Ling Ng (and Jerry Cope Chair of Board of Governors)

**Apologies:**

**In attendance:** David Phoenix, Richard Flatman, James Stevenson, Natalie Ferer, and Joe Kelly

**Auditors:** Justin Martin, Lucy Gresswell, Amy Chiu, Fleur Nieboer and Jack Stapleton

This page is intentionally left blank

# Agenda Item 6

	CONFIDENTIAL
Paper title:	Internal Audit – Continuous Audit Report into Student Data
Board/Committee:	Audit Committee
Date of meeting:	04 October 2018
Author(s):	PricewaterhouseCoopers
Sponsor(s):	Richard Flatman, Chief Financial Officer
Purpose:	For Information
Recommendation:	The Committee is requested to note the report and its findings

## **Executive Summary**

Since the June Audit Committee, we have provided further information to PwC and the number of recommendations has reduced (particularly regarding apprenticeships). The report, however, remains high risk.

The amended final report is attached for reference.

The Committee is requested to note the report.

This page is intentionally left blank

# *Internal Audit Report 2017/18*

## Continuous Auditing: Student Data 2017/18 – Period 2

*London South Bank  
University*

*Final*

*May 2018 v1*

*October 2018 v1.1*

▶ Click to launch


Page 5

# Contents

*Executive summary*

**1** 

*Background and scope*

**2** 

*Findings*

**3** 

Page 6

*Appendices*

- A. Basis of our classifications
- B. Terms of reference
- C. Limitations and responsibilities

## Distribution list

**For action:** Ralph Sanders (Director of Planning, Information & Reporting )  
 Dave Lewis (Software Development Team Leader)  
 Sheila Patel (Applications Support and Maintenance Team Leader)  
 Lisa Upton (Head of Registry)  
 Nuria Prades (Head of Operations, International Office)  
 Rosalind Martin (Immigration and International Student Advice Manager)  
 Alan Butt (Student Engagement Team Leader)

**For information:** Richard Flatman (Chief Financial Officer)  
 John Baker (Corporate and Business Planning Manager)  
 Jamie Jones (Head of Student Administration)  
 Andrew Ratajczak (Manager: Fees, Bursaries and Central Enrolment)  
 Natalie Ferer (Financial Controller)  
 Audit Committee



# Executive summary



**System Classification**

**High Risk**



### System Summaries

We have classified this report as high risk based on the number and severity of findings identified. Our rating criteria are set out at Appendix A. The table below summarises the number of exceptions for each period. Overall there has been a decline in overall performance from the previous period due to the increased number of exceptions identified.

The increase is driven by 13 exceptions identified by S9 (Changes to module data). There has been far more exceptions identified in S4 (Student Engagement) and for the new control S3 (Apprenticeships). We note that there has been a significant improvement in S2 (Tier 4 controls).

Control	P2 17/18 Effectiveness	P2 17/18 Control design	P1 17/18 Effectiveness	P1 17/18 Control design	Trend
S1	8	-	11	-	↓
S2	2	-	16	1	↓
S3	5	1	N/A – This is a new control that has been tested for the first time in P2.		N/A
S4	9	-	4	-	↑
S5	-	-	-	-	↔
S6	5	-	2	-	↑
S7	4	-	3	-	↑
S8	-	-	1	-	↓
S9	13	1	4	-	↑
S10	-	-	-	-	↔
S11	-	-	-	-	↔
<b>Total</b>	<b>46</b>	<b>2</b>	<b>41</b>	<b>1</b>	<b>↑</b>

## Background and scope



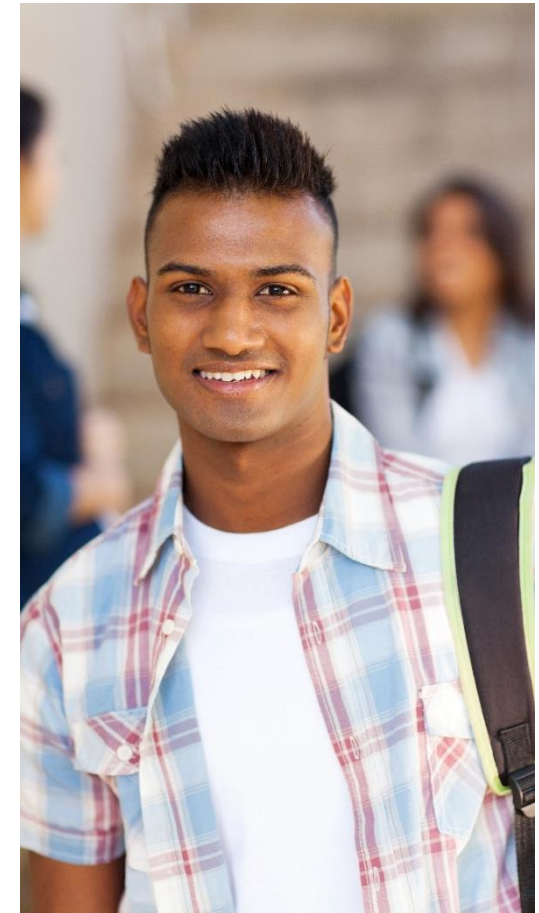
### Background

The Higher Education Funding Council for England’s (HEFCE) Memorandum of Assurance and Accountability (MAA) states that the Audit Committee is required to produce an annual report for the governing body and the accountable officer. This report must include the committee’s opinion on the adequacy and effectiveness of the University’s arrangements for management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), the Student Loans Company (SLC), HEFCE and other bodies. Whilst there is no requirement for our internal audit programme to provide a conclusion over data quality, our internal audit programme for 2017/18 has been designed to support the Audit Committee in forming its conclusion.

Our Student Data Continuous Audit programme will test key controls associated with data quality on an on-going basis to assess whether they are operating effectively and to flag areas and/or report transactions that appear to circumvent controls.

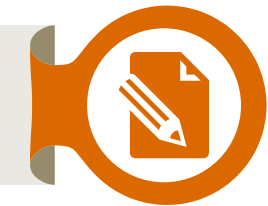
We have outlined the specific controls we have tested in the Terms of Reference (please refer to Appendix B). These have been identified through our annual audit planning process and meetings with management. We will continue to refresh this knowledge throughout the year to ensure we focus upon the key risks facing London South Bank University (LSBU).

A summary of our findings and the matters arising in the course of our work this period is set out in the Executive Summary. Our detailed findings are set out in the Findings section.





## Detailed Findings (1 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S1	<p><b>New Student Record</b></p> <p>Following a student record being created in QLS at the application stage, appropriate checks are performed prior to fully enrolled ('EFE') status. These checks include:</p> <ul style="list-style-type: none"> <li>•A full ID check</li> <li>•Criminal conviction check (self-declaration by students)</li> <li>•Entry criteria have been met</li> </ul>	<p>8</p>	<p>Exceptions identified for 8/25 new students tested.</p> <ul style="list-style-type: none"> <li>• For 8/25 new students, the criminal conviction self-declaration was not completed.</li> </ul>	<p><b>Management response and action:</b></p> <p>Any positive declarations within UKPASS applications are actioned by the admissions team along the agreed protocols. The response to the criminal convictions question is not currently included in the data transfer process which creates records onto the corporate Student Record System. The university is developing a proposal for use of an alternative admissions platform, that will address the data transfer issue with the UKPASS platform for PG applicants.</p> <p><b>Owner and due date:</b></p> <p>Lisa Upton, Head of Registry 30/11/2018</p>

*Performance is indicated either as 'green' or 'red'. 'Green' indicates that there were no operating effectiveness issues noted during the testing period. 'Red' indicates that an exception was identified. Control design issues are raised separately with individual risk ratings.*

## Detailed Findings (2 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S2	<p><b>Tier 4 controls</b></p> <p>Supporting documentation is obtained and retained to ensure Tier 4 requirements are met.</p>	<p>2</p>	<p>Exceptions identified for 2/20 Tier 4 students tested.</p> <ul style="list-style-type: none"> <li>For 2/20 Tier 4 students who enrolled in the testing period, an attendance record could not be evidenced. We note that both these students had participated in a placement.</li> </ul> <p><i>We also identified one short stay overseas student who had been incorrectly classified as a Tier 4 student. An exception has not been raised as we confirmed that the correct procedure had been followed for enrolling this student.</i></p>	<p><b>Management response and action:</b></p> <p>We will work with the employability team and student admin team to ensure that the InPlace software system enables attendance reporting for international students on placement, and that this is integrated with student engagement processes.</p> <p><b>Owner and due date:</b></p> <p>Nuria Prades, Head of Operations</p> <p>30/10/2018</p>

## Detailed Findings (3 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S3	<p><b>Apprenticeships</b></p> <p>Before the apprentice is enrolled at the University, the following must be completed:</p> <ul style="list-style-type: none"> <li>Apprenticeship contract signed by learner, employer and university prior to commencement of programme</li> <li>Individual Learner Plan (ILP) including calculation of anticipated hours of off the job training</li> <li>BKSB initial assessment results on file</li> <li>DBS check completed (if HSC programme)</li> </ul>	<p><b>5</b></p>	<p>Exceptions identified for 5/20 apprentices tested.</p> <ul style="list-style-type: none"> <li>For 4/20 apprentices, an Individual Learner Plan (ILP) could not be evidenced. We understand that this is because the ILP's for these students are held in hard copy only, and because they are held by the students we were not able to review them during the audit fieldwork.</li> <li>For 1/20 apprentices, the apprenticeship agreement was not signed by LSBU and the apprentice prior to the commencement of apprenticeship.</li> </ul> <p><i>We have not reported on DBS checks as the process for completing these checks is due to be implemented in June 2018.</i></p>	<p><b>Management response and action:</b></p> <p>We will ensure that the ILP is completed with support from the Apprenticeships team prior to the apprentice contract being signed, and attached to the learner's eportfolio within the OneFile online storage system.</p> <p><b>Owner and due date:</b></p> <p>Heather Collins, Apprenticeship Implementation Manager</p> <p>30/09/2018</p>

## Detailed Findings (4 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S4	<p><b>Student Engagement</b></p> <p>Applies to all Schools (other than Health &amp; Social Care and students with Tier 4 visas).</p> <p>Engagement data is captured in the Student Point of Contact (SPOC) report. The following indications of engagement are monitored:</p> <ul style="list-style-type: none"> <li>•Entry onto campus.</li> <li>•Moodle use.</li> <li>•Attendance at teaching sessions.</li> <li>•Submission of assessment</li> <li>•MyLSBU use.</li> </ul> <p>Students failing to meet the minimum thresholds for engagement are investigated.</p>	<p>9</p>	<p>Exceptions identified for 9/25 students who failed to meet the minimum engagement criteria.</p> <ul style="list-style-type: none"> <li>• For 3/25 students, there was no evidence of communication with the student regarding their lack of engagement.</li> <li>• For 6/25 students, the escalation process for non-engagement did not follow the prescribed timescales.</li> </ul>	<p><b>Management response and action:</b></p> <p>The process documentation will be amended to ensure that vacation periods are clearly referenced to ensure that the timings of follow up activity occur within defined timescales, during regular teaching weeks.</p> <p>The student engagement records will be amended to ensure that where a student being flagged for engagement activity currently has 'do not contact' status, the reasons for this are recorded against their engagement record.</p> <p><b>Owner and due date:</b></p> <p>Alan Butt, Student Engagement Team Leader</p> <p>30/09/2018</p>

## Detailed Findings (5 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S5	<p><b>Student Attendance</b></p> <p>Applies to School of Health &amp; Social Care and students with Tier 4 visas.</p> <p>Attendance reports from the Student Attendance Monitoring system (SAM) are generated by the School of Health &amp; Social Care and for students with Tier 4 visas to identify periods of non-attendance. Students failing to meet the minimum attendance thresholds are investigated.</p>	0	No exceptions noted.	

## Detailed Findings (6 of 8)



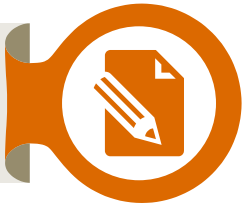
	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S6	<p><b>Course Changes</b></p> <p>Supporting evidence is obtained prior to processing any course changes or withdrawals.</p>	5	<p>Exceptions identified for 5/25 course changes tested.</p> <ul style="list-style-type: none"> <li>For 3/25 course changes, a change of course form could not be evidenced.</li> <li>1/25 change of course forms had not been approved by the course director.</li> <li>1/25 change of course forms had not been approved by the student.</li> </ul>	<p><b>Management response and action:</b></p> <p>We will introduce a change of process, with a 100% check to be carried out before any change is made to the student record. We will also review the process guidance currently utilised by the student administration team.</p> <p><b>Owner and due date:</b></p> <p>Lisa Upton, Head of Registry 31/07/2018</p>
S7	<p><b>Withdrawals</b></p> <p>Supporting documentation is retained for all change of circumstances. Changes of circumstances are processed on a timely basis.</p> <p>This testing is restricted to the testing of withdrawals.</p>	4	<p>Exceptions identified for 4/20 withdrawals tested.</p> <ul style="list-style-type: none"> <li>For 1/20 withdrawals, there was no evidence that the student requested to be withdrawn.</li> <li>3/20 withdrawals were not processed in a timely manner (within 14 days).</li> </ul>	<p><b>Management response and action:</b></p> <p>Correspondence will be sent to the teams responsible to remind them of the procedures to be followed.</p> <p><b>Owner and due date:</b></p> <p>Lisa Upton, Head of Registry 30/06/2018</p>

## Detailed Findings (7 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S8	<p><b>Module Data Exception Reporting</b></p> <p>Exception reports are run to identify changes made to student module data and are investigated.</p>	0	No exceptions noted.	
S9	<p><b>Changes to Module Data</b></p> <p>Evidence is retained to support any changes to student module data.</p>	13	<p>13/20 exceptions noted.</p> <ul style="list-style-type: none"> <li>For 8/20 students, the discrepancy between the actual and expected credits had not been resolved.</li> <li>For 4/20 students whose actual credits differed to those expected, no explanation was provided for the discrepancy.</li> <li>1/20 students had been allocated to the wrong course progression code.</li> </ul>	<p><b>Management response and action:</b></p> <p>Moving to more regular reporting of discrepancies has highlighted an issue with the timeliness of module record keeping with the student administration team. With this being highlighted, Registry will run more detailed reports on other aspects of module record keeping and are working with student administration team leaders and the quality team to address this issue.</p> <p><b>Owner and due date:</b></p> <p>Lisa Upton, Head of Registry</p> <p>30/09/2018</p>

## Detailed Findings (8 of 8)



	Key Control	Exceptions P2 2017/18	Details on exceptions	Management Comment
S10	<p><b>QLS: New Starters</b></p> <p>All new users of the QLS system must complete an authorisation form which is authorised by their line manager and IT prior to system access.</p>	0	No exceptions noted.	
S11	<p><b>QLS: Leavers</b></p> <p>Leavers are removed from the QLS system on a timely basis.</p>	0	No exceptions noted.	



*ESFA requirements are  
complied with (S3)  
Control design*

**1**

Page 17

**Finding rating**

Rating

Low risk

**Findings**

ESFA guidelines requires that an Individual Learning Plan (ILP) is completed for each apprentice. ILP's held for students in the School of Health & Social Care have little/no input from the Apprenticeships team. There is also a lack of targets set for students, which means their performance can't be easily monitored.

**Implications**

Without central oversight from the Apprenticeship team, there could be inconsistencies in the ILP's in place for the students in the School of Health & Social Care. This could mean that the quality of the apprenticeship provision is reduced and there is a risk that the ILP may not be compliant with ESFA guidelines.

**Action plan**

We will work with the teaching team in HSC to ensure that at the end of each semester, digital copies of the completed student paper workbooks are created and stored centrally, enabling central oversight of the regular review of learner progress & feedback contained within those documents, and evidence storage in the event of an ESFA audit.

**Responsible person/title:**

Heather Collins,  
Apprenticeships  
Implementation Manager

**Target date:**

30/11/2018

**Reference number:**

1

**Exception reports are run to identify changes made to student data and are investigated (S9)**

Control design

**2**

Page 18

**Finding rating**

Rating

Low risk

**Findings**

Exception reports are run monthly to identify discrepancies between the actual and expected credits a student is registered to. The registry team contact the Schools to understand the cause of discrepancies and correct the student module data if required.

We identified that responses from Schools were delayed, meaning that at the time of audit fieldwork, there were a number of errors in the module data which had not been resolved. This is because there is no formal deadline for responses to be returned.

**Implications**

Failure of schools to return module exception data in a timely manner may result in students remaining on an incorrect number of credits. This could mean that students are awarded qualifications from LSBU without completing the required modules, or mean that LSBU is under charging students leading to a loss of revenue.

**Action plan**

Registry will introduce a response deadline in the communications provided as a result of the exception report analysis.

**Responsible person/title:**

Lisa Upton, Head of Registry

**Target date:**

31/05/2018

**Reference number:**

2



**Appendix A: Basis of our  
classifications**

**Appendix B: Terms of  
reference**

**Appendix C: Limitations  
and responsibilities**

---




# *Appendices*

Page 19

## Appendix A: Basis of our classifications

### System summary ratings

The finding ratings in respect of each financial sub-process area are determined with reference to the following criteria.

Rating	Assessment rationale
 <b>Red</b>	A high proportion of exceptions identified across a number of the control activities included within the scope of our work; or Control failures which, individually or in aggregate, have resulted in the significant misstatement of the University’s financial records.
 <b>Amber</b>	Some exceptions identified in the course of our work, but these are limited to either a single control or a small number of controls; or Control failures which, individually or in aggregate, have resulted in the misstatement of the organisations financial records, but this misstatement is not significant to the University
 <b>Green</b>	Limited exceptions identified in the course of our work Control failures which, individually or in aggregate, do not appear to have resulted in the misstatement of the organisations financial records.

### Control design improvement classifications

The finding ratings in respect of each financial sub-process area are determined with reference to the following criteria.

**Critical**

A finding that could have a:

- **Critical** impact on operational performance resulting in inability to continue core activities for more than two days; or
- **Critical** monetary or financial statement impact £5m; or
- **Critical** breach in laws and regulations that could result in material fines or consequences over £500k; or
- **Critical** impact on the reputation or brand of the organisation which could threaten its future viability, e.g. high-profile political and media scrutiny i.e. front-page headlines in national press.

## Appendix A: Basis of our classifications

### High

A finding that could have a:

- **Significant** impact on operational performance resulting in significant disruption to core activities; or
- **Significant** monetary or financial statement impact of £2m; or
- **Significant** breach in laws and regulations resulting in significant fines and consequences over £250k; or
- **Significant** impact on the reputation or brand of the organisation, resulting in unfavourable national media coverage.

### Medium

A finding that could have a:

- **Moderate** impact on operational performance resulting in moderate disruption of core activities or significant disruption of discrete non-core activities; or
- **Moderate** monetary or financial statement impact of £1m; or
- **Moderate** breach in laws and regulations resulting in fines and consequences over £100k; or
- **Moderate** impact on the reputation or brand of the organisation, resulting in limited unfavourable media coverage.

### Low

A finding that could have a:

- **Minor** impact on the organisation's operational performance resulting in moderate disruption of discrete non-core activities; or
- **Minor** monetary or financial statement impact of £500k; or
- **Minor** breach in laws and regulations with limited consequences over £50k; or
- **Minor** impact on the reputation of the organisation, resulting in limited unfavourable media coverage restricted to the local press.

### Advisory

A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.

**Appendix A: Basis of our  
classifications**

**Appendix B: Terms of  
reference**

**Appendix C: Limitations  
and responsibilities**

# *Appendix B: Terms of reference*

## *Continuous Auditing: Student Data 2017/18*

**To: Richard Flatman – Chief Financial Officer**  
**From: Justin Martin – Head of Internal Audit**

Page 22

## Background and audit objectives (1 of 2)



This review is being undertaken as part of the 2017/2018 internal audit plan approved by the Audit Committee.

### Background and audit objectives

The Higher Education Funding Council for England's (HEFCE) Memorandum of Assurance and Accountability (MAA) states that the Audit Committee is required to produce an annual report for the governing body and the accountable officer. This report must include the committee's opinion on the adequacy and effectiveness of the University's arrangements for management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), the Student Loans Company (SLC), HEFCE and other bodies. Whilst there is no requirement for our internal audit programme to provide a conclusion over data quality, our internal audit programme for 2017/18 has been designed to support the Audit Committee in forming its conclusion.

Our Student Data Continuous Audit programme will test key controls associated with data quality on an on-going basis to assess whether they are operating effectively and to flag areas and/or report transactions that appear to circumvent controls. Testing will be undertaken twice a year and provide the following benefits:

- It provides management with an assessment of the operation of key controls on a regular basis throughout the year;
- Control weaknesses can be addressed during the year rather than after the year end; and
- The administrative burden on management will be reduced when compared with a full system review, in areas where there is sufficient evidence that key controls are operating effectively.

We have outlined the specific controls we will be testing in Appendix 1. These have been identified through our annual audit planning process and meetings with management to update our understanding of the control framework in place. We will continue to refresh this knowledge throughout the year to ensure we focus upon the key risks facing London South Bank University (LSBU). Where the control environment changes in the financial year or we agree with management to revise our approach, we will update Appendix 1 and re-issue our Terms of Reference.

## Background and audit objectives (2 of 2)



### Background and audit objectives

Our work touches upon the following areas that form part of our annual report to Audit Committee:

Total plan days	Financial Control	Value for Money	Data Quality	Corporate Governance	Risk management
25	x	x	X	x	x

X = area of primary focus

x = possible area of secondary focus



## Audit scope and approach (1 of 2)

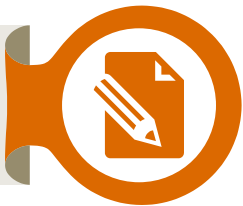


### Scope

The financial processes, key control objectives and key risk areas included within the scope of this review are:

Sub-process	Key Control Objectives	Key risks
Student Systems	Complete and accurate records of students and their activity are maintained.	<ul style="list-style-type: none"> <li>Application and enrolment data may be inaccurate. This could also result in fees not being correct resulting in students being over or undercharged and an associated impact on income.</li> <li>UKVI requirements are not complied with. This could result in London South Bank University losing their license to operate affecting fee income and leading to reputational damage.</li> <li>ESFA requirements are not complied with. This could result in London South Bank University losing funding for apprentices or restrictions being imposed on future apprenticeship programmes.</li> <li>Student engagement or attendance records are incorrect undermining the reliability of management information.</li> <li>Course changes are not identified on a timely basis which could affect fee income, as well as student data quality.</li> <li>Reporting of changes in circumstances to the SLC are not reported and processed accurately, completely and on a timely basis. This could mean student data is inaccurate.</li> <li>Student module data is inaccurate or incomplete, undermining the reliability of data.</li> <li>Users have unauthorised access and can make inappropriate amendments to student records which could compromise the validity, accuracy and completeness of student data.</li> </ul>

## Audit scope and approach (2 of 2)



### *Limitations of scope*

Our work is not intended to provide assurance over the effectiveness of all the controls operated by management over student data; the focus of our work will be limited to those controls which are deemed by management to be most significant to the system under consideration.

Our work will not consider the organisations IT security framework and associated controls in place.

### *Audit approach*

We will undertake our testing twice a year, covering the following periods during 2017/18:

- Phase 1: April 2017 – October 2017
- Phase 2: November 2017 – March 2018



## Internal audit team



### Internal audit team

Name	Role	Contact details
Justin Martin	Head of Internal Audit	0207 212 4269 <a href="mailto:justin.f.martin@pwc.com">justin.f.martin@pwc.com</a>
Lucy Gresswell	Engagement Manager	07718 098 321 <a href="mailto:lucy.j.gresswell@pwc.com">lucy.j.gresswell@pwc.com</a>
Janak Savjani	Continuous Auditing Supervisor	07802 660 974 <a href="mailto:janak.j.savjani@pwc.com">janak.j.savjani@pwc.com</a>
Josh Thomas	Continuous Auditing Technician	07718 978 628 <a href="mailto:joshua.thomas@pwc.com">joshua.thomas@pwc.com</a>



## Key contacts

### Key contacts – London South Bank University

Name	Title	Contact details	Responsibilities
Richard Flatman	Chief Financial Officer (Audit Sponsor)	0207 815 6301 <a href="mailto:richard.flatman@lsbu.ac.uk">richard.flatman@lsbu.ac.uk</a>	Review and approve terms of reference Review draft report
John Baker	Corporate and Business Planning Manager	0207 815 6003 <a href="mailto:j.baker@lsbu.ac.uk">j.baker@lsbu.ac.uk</a>	Review and approve final report
Andrew Ratajczak	Manager; Fees, Bursaries and Central Enrolment	<a href="mailto:ratajca@lsbu.ac.uk">ratajca@lsbu.ac.uk</a>	Hold initial scoping meeting Review and meet to discuss issues arising and develop management responses and action plan
Nuria Prades	Head of Operations (International Office)	<a href="mailto:pradesn@lsbu.ac.uk">pradesn@lsbu.ac.uk</a>	
Lisa Upton	Head of Registry	<a href="mailto:uptonl@lsbu.ac.uk">uptonl@lsbu.ac.uk</a>	
Dave Lewis	Software Development Team Leader	<a href="mailto:dave.lewis@lsbu.ac.uk">dave.lewis@lsbu.ac.uk</a>	Audit Contact



## Key contacts

### Key contacts – London South Bank University

Name	Title	Contact details	Responsibilities
Jamie Jones	Head of Student Administration	<a href="mailto:jamie.jones@lsbu.ac.uk">jamie.jones@lsbu.ac.uk</a>	Audit contact
Alan Butt	Student Engagement Team Leader	<a href="mailto:buttab@lsbu.ac.uk">buttab@lsbu.ac.uk</a>	Audit contact
Sheila Patel	Applications Support and Maintenance Team Leader	<a href="mailto:sheila@lsbu.ac.uk">sheila@lsbu.ac.uk</a>	Audit contact
Natalie Ferer	Financial Controller	<a href="mailto:ferern@lsbu.ac.uk">ferern@lsbu.ac.uk</a>	Audit contact
Heather Collins	Apprenticeship Implementation Manager	<a href="mailto:heather.collins@lsbu.ac.uk">heather.collins@lsbu.ac.uk</a>	Audit contact

# Timetable



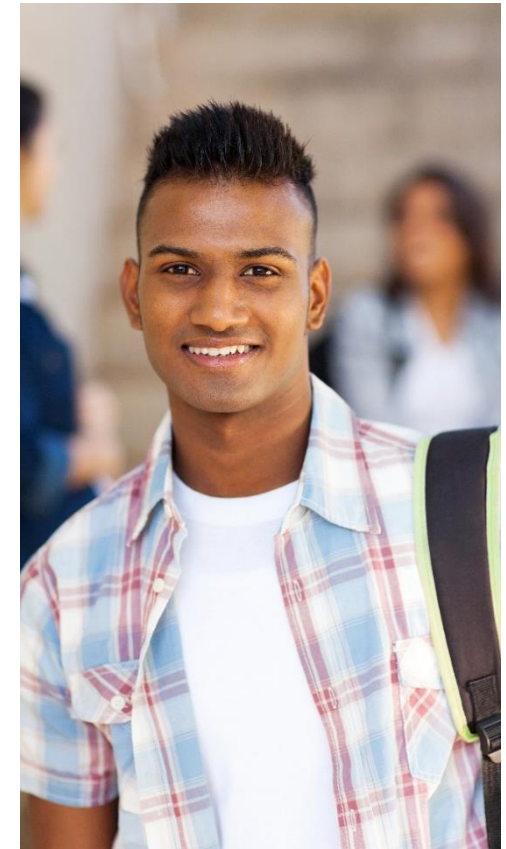
## Timetable

	Phase 1	Phase 2
Fieldwork start	04/12/2017	09/04/2018
Fieldwork completed	15/12/2017	20/04/2018
Draft report to client	05/01/2018	04/05/2018
Response from client	19/01/2018	18/05/2018
Final report to client	26/01/2018	25/05/2018

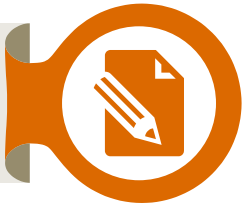
Agreed timescales are subject to the following assumptions:

- All relevant documentation, including source data, reports and procedures, will be made available to us promptly on request.
- Staff and management will make reasonable time available for interviews and will respond promptly to follow-up questions or requests for documentation.

***Please note that if the University requests the audit timing to be changed at short notice (2 weeks before fieldwork start) and the audit staff cannot be deployed to other client work, the University may still be charged for all/some of this time. PwC will make every effort to redeploy audit staff in such circumstances.***



## Appendix 1: Key controls schedule



Based upon our understanding of the key student data controls at London South Bank University and in discussion with management, we have agreed that the operating effectiveness of the following controls will be considered. These have been mapped to the key risks identified as in scope above. The deliverables required to complete testing have also been outlined below.

Our testing will be applicable to all students, with the exception of Tier 4 controls which is only relevant to international students.

### Enrolment

Key risk	Key Control	Reference
Application and enrolment data may be inaccurate. This could also result in fees not being correct resulting in students being over or undercharged and an associated impact on income.	<p>Following a student record being created in QLS at the application stage, appropriate checks are performed prior to fully enrolled ('EFE') status. These checks include:</p> <ul style="list-style-type: none"> <li>• A full ID check</li> <li>• Criminal conviction check (self-declaration by students)</li> <li>• Entry criteria have been met</li> </ul> <p><b>Key contact:</b> Lisa Upton</p>	<b>S1</b>
<b>Testing approach and deliverables request</b>		
<p>We will obtain a listing from management of students who have applied to London South Bank University and check that the following checks have been performed prior to EFE status:</p> <ul style="list-style-type: none"> <li>• Criminal conviction check (self-declaration by students)</li> <li>• Entry criteria have been met</li> <li>• An enrolment form has been completed and that this confirms an ID check has been performed.</li> </ul>		

## Appendix 1: Key controls schedule

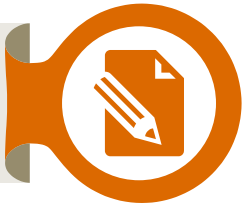


### Enrolment (continued)

Key risk	Key Control	Reference
UKVI requirements are not complied with. This could result in London South Bank University losing their license to operate affecting fee income and leading to reputational damage.	Supporting documentation is obtained and retained to ensure Tier 4 requirements are met.  <b>Key contact:</b> Nuria Prades	<b>S2</b>
<b>Testing approach and deliverables request</b>		
<p>We will obtain a listing from management of Tier 4 students who have enrolled and select a sample to confirm that the following evidence has been retained on their student record:</p> <ul style="list-style-type: none"> <li>• Copy of the student’s current passport pages showing all personal identity details including biometric details, leave stamps, or immigration status document including their period of leave to remain (permission to stay) in the UK.</li> <li>• Copy of the student’s biometric residence permit (BRP).</li> <li>• Record of the student’s absence/attendance</li> <li>• A history of the student’s contact details to include UK residential address, telephone number and mobile telephone number.</li> <li>• Where the student’s course of study requires them to hold an Academic Technology Approval Scheme (ATAS) clearance certificate, LSBU must keep a copy of the certificate or the electronic approval notice received by LSBU, from the Foreign and Commonwealth Office.</li> <li>• Copies or originals where possible of any evidence assessed by you as part of the process of making an offer to the student, this could be copies of references, examination certificates.</li> </ul> <p>We shall also need a list of LSBU courses which require ATAS clearance.</p>		



## Appendix 1: Key controls schedule



### Enrolment (continued)

Testing approach and deliverables request	Reference
<p><b>Continued</b></p> <p><u>LSBU internal requirements before issuing a CAS</u></p> <ul style="list-style-type: none"> <li>· Evidence that financial documents (e.g. bank statements) have been submitted by the student to ensure they meet requirements of Tier 4, with the exception of low-risk nationals;</li> <li>· Evidence that the student meets English language requirements (e.g CEFR level B2 equivalent)</li> <li>· A pre-CAS interview has been conducted with the student (not applicable to low-risk nationals and UK-based PhD students)</li> <li>· A valid TB test has been submitted by the student where applicable;</li> <li>· An Immigration Information Form has been completed</li> </ul> <p><u>UKVI Reporting requirements:</u></p> <ul style="list-style-type: none"> <li>· That the Home Office has been informed by the Sponsor Management System (SMS) where the student has started a placement or internship as part of the course.</li> <li>· That the Home Office has been informed by the Sponsor Management System (SMS) where the student has changed course.</li> </ul>	<p><b>S2</b></p>

## Appendix 1: Key controls schedule



### Enrolment - Apprenticeships

Key risk	Key Control	Reference
ESFA requirements are not complied with. This could result in London South Bank University losing funding for apprentices or restrictions being imposed on future apprenticeship programmes.	<p>Before the apprentice is enrolled at the University, the following must be completed:</p> <ul style="list-style-type: none"> <li>• Apprenticeship contract signed by learner, employer and provider ahead of programme start date;</li> <li>• Individual Learning Plan completed (with prior learning information) including calculation of anticipated hours of off the job hours of training;</li> <li>• BKSBS initial assessment results on file; and</li> <li>• DBS check completed (if is a HSC programme).</li> </ul> <p><b>Key contact:</b> Heather Collins</p>	<b>S3</b>
<b>Testing approach and deliverables request</b>		
<p>We will obtain a listing of new apprentices who have enrolled at the University and check that the following have been completed:</p> <ul style="list-style-type: none"> <li>• Apprenticeship contract signed by learner, employer and provider ahead of programme start date;</li> <li>• Individual Learning Plan completed (with prior learning information) including calculation of anticipated hours of off the job hours of training;</li> <li>• BKSBS initial assessment results on file; and</li> <li>• DBS check completed (if is a HSC programme).</li> </ul>		

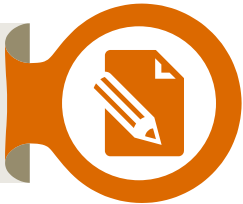
## Appendix 1: Key controls schedule



### Student Attendance Monitoring

Key risk	Key Control	Reference
<p>Student engagement records are incorrect undermining the reliability of management information.</p>	<p><b><u>Student Engagement</u></b></p> <p><i>Applies to all Schools (other than Health &amp; Social Care and students with Tier 4 visas).</i></p> <p>Engagement data is captured in the Student Point of Contact (SPOC) report. The following indications of engagement are monitored:</p> <ul style="list-style-type: none"> <li>• Entry onto campus.</li> <li>• Moodle use.</li> <li>• Attendance at teaching sessions.</li> <li>• Submission of assessment</li> <li>• MyLSBU use.</li> </ul> <p>Students failing to meet the minimum thresholds for engagement are investigated.</p> <p><b>Key contact:</b> Alan Butt</p>	<p><b>S4</b></p>
<p><b>Testing approach and deliverables request</b></p>		
<p>We will select a sample of students from the most recent engagement report and confirm that actions have been taken to investigate periods where the student fell below the minimum thresholds outlined in the Student Engagement Procedure.</p>		

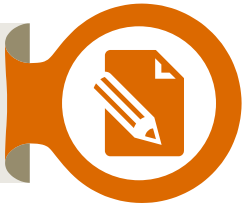
## Appendix 1: Key controls schedule



### Student Attendance Monitoring (continued)

Key risk	Key Control	Reference
Student attendance records are incorrect undermining the reliability of management information.	<p><b><u>Student Attendance</u></b></p> <p><i>Applies to School of Health &amp; Social Care and students with Tier 4 visas</i></p> <p>Attendance reports from the Student Attendance Monitoring system (SAM) are generated by the School of Health &amp; Social Care to identify periods of non-attendance. Students failing to meet the minimum attendance thresholds are investigated.</p> <p><b>Key contact:</b> Alan Butt</p>	<b>S5</b>
<b>Testing approach and deliverables request</b>		
We will select a sample of students from the most recent attendance report generated by the School of Health & Social Care and confirm that actions have been taken to investigate periods of non-attendance in accordance with the Attendance Monitoring Procedure.		

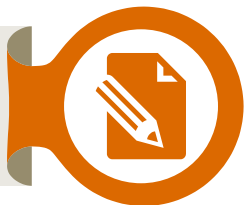
## Appendix 1: Key controls schedule



### Enrolment Amendments

Key risk	Key Control	Reference
Course changes are not identified on a timely basis this could affect fee income, as well as student data quality.	Supporting evidence is obtained prior to processing any course changes or withdrawals. <b>Key contact:</b> Andrew Ratajczak	<b>S6</b>
<b>Testing approach and deliverables request</b>		
<p>We will obtain a report from management of all course changes within the testing period. We will select a sample of students and for each student we will confirm:</p> <ul style="list-style-type: none"> <li>• A form has been completed which supports the change;</li> <li>• The form has been authorised by the student and the School;</li> <li>• The course changes log has been updated and agrees to QLS;</li> <li>• The change was only action on QLS after the form was authorised by the student and faculty and after the course change log was completed;</li> </ul> <p>*This will include ETROC and EFAFU codes only.</p>		

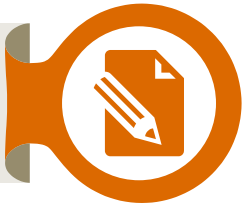
## Appendix 1: Key controls schedule



### Enrolment Amendments (continued)

Key risk	Key Control	Reference
Reporting of changes in circumstances to the SLC are not reported and processed accurately, completely and on a timely basis. This could mean student data is inaccurate.	Supporting documentation is retained for all change of circumstances. Changes of circumstances are processed on a timely basis.  This testing is restricted to the testing of withdrawals.  <b>Key contact:</b> Andrew Ratajczak	<b>S7</b>
<b>Testing approach and deliverables request</b>		
We will obtain a listing of all students who have withdrawn in the period and select a sample to test that: <ul style="list-style-type: none"> <li>• There is a letter or form from the student requesting withdrawal;</li> <li>• That the date the change was applied to the system on a timely basis.</li> </ul>		

## Appendix 1: Key controls schedule



### Enrolment Amendments (continued)

Key risk	Key Control	Reference
Student module data is inaccurate or incomplete, undermining the reliability of data.	Exception reports are run to identify changes made to student module data and are investigated. <b>Key contact:</b> Lisa Upton	<b>S8</b>
<b>Testing approach and deliverables request</b>		
We will select a sample of months and confirm that: <ul style="list-style-type: none"> <li>• An exception report has been generated;</li> <li>• The exception report has been discussed at periodic meetings;</li> <li>• Actions have been taken to interrogate and resolve exceptions.</li> </ul>		

Key risk	Key Control	Reference
Student module data is inaccurate or incomplete, undermining the reliability of data.	Evidence is retained to support any changes. <b>Key contact:</b> Lisa Upton	<b>S9</b>
<b>Testing approach and deliverables request</b>		
Using the most recent exception report, we will select a sample of changes to module data and test to confirm that these have been processed correctly and agree to supporting evidence.		

## Appendix 1: Key controls schedule

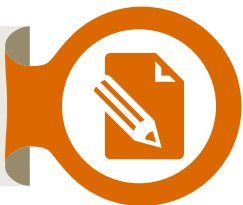


### System access

Key risk	Key Control	Reference
Users have unauthorised access and can make inappropriate amendments to student records which could compromise the validity, accuracy and completeness of student data.	All new users of the QLS system must complete an authorisation form which is authorised by their line manager and IT prior to system access. <b>Key contact:</b> Lisa Upton	<b>S10</b>
<b>Testing approach and deliverables request</b>		
We will obtain a listing of all new users set up on QLS in the testing period and select a sample of users to test that: <ul style="list-style-type: none"> <li>• An authorisation form was completed;</li> <li>• The form has been authorised by their line manager and IT;</li> <li>• The form is dated before their system set up date.</li> </ul>		



## Appendix 1: Key controls schedule



### System access (continued)

Key risk	Key Control	Reference
Users have unauthorised access and can make inappropriate amendments to student records which could compromise the validity, accuracy and completeness of student data.	Leavers are removed from the system on a timely basis. <b>Key contact:</b> Lisa Upton	<b>S11</b>
<b>Testing approach and deliverables request</b>		
We will obtain a listing of all leavers during the testing period and select a sample of users to test that their account has been de-activated.		

## Appendix C: Limitations and responsibilities

### Limitations inherent to the internal auditor's work

We have undertaken this review subject to the limitations outlined below:

#### Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

#### Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- The design of controls may become inadequate because of changes in operating environment, law, regulation or other changes; or
- The degree of compliance with policies and procedures may deteriorate.

### Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

This document has been prepared only for London South Bank University and solely for the purpose and on the terms agreed with London South Bank University in our agreement dated 16 October 2017. We accept no liability (including for negligence) to anyone else in connection with this document, and it may not be provided to anyone else.

Internal audit work was performed in accordance with PwC's Internal Audit methodology which is aligned to the Memorandum of Assurance and Accountability between the Office for Students and institutions. As a result, our work and deliverables are not designed or intended to comply with the International Auditing and Assurance Standards Board (IAASB), International Framework for Assurance Engagements (IFAE) and International Standard on Assurance Engagements (ISAE) 3000.

In the event that, pursuant to a request which London South Bank University has received under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004 (as the same may be amended or re-enacted from time to time) or any subordinate legislation made thereunder (collectively, the "Legislation"), London South Bank University is required to disclose any information contained in this document, it will notify PwC promptly and will consult with PwC prior to disclosing such document. London South Bank University agrees to pay due regard to any representations which PwC may make in connection with such disclosure and to apply any relevant exemptions which may exist under the Legislation to such report. If, following consultation with PwC, London South Bank University discloses any this document or any part thereof, it shall ensure that any disclaimer which PwC has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

© 2018 PricewaterhouseCoopers LLP. All rights reserved. In this document, "PwC" refers to the UK member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.

This page is intentionally left blank