

Scottish Further and Higher Education Funding Council

Report on the 2005-06 Audit

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Executive and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds



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Executive Summary

Introduction

In 2005-06 we audited the financial statements of the Scottish Further and Higher Education Funding Council (SFC) and looked at aspects of performance management and governance. This report sets out our key findings.

Financial Statements

We have given an unqualified opinion on the financial statements of the Council for 2005-06.

The financial statements for 2005-06 include transactions of SFC, from 3 October 2005 to 31 March 2006 and its predecessor bodies, the Scottish Further Education Funding Council (SFEFC) and the Scottish Higher Education Funding Council (SHEFC), for 1 April to 2 October 2005. SFC operated within cash limited allocations by its sponsoring department for both funds for distribution and running costs.

At the planning stage we identified eleven main audit risks which informed our audit procedures. From our audit work we can conclude that these risks are being satisfactorily managed by SFC.

Governance

SFC's corporate governance and control arrangements operated satisfactorily in the period under review as reflected in the Statement on Internal Control. We have also found the work of the internal audit service to be satisfactory and continue to place formal reliance on its work.

Performance Management

During 2005-06 we completed a baseline analysis of SFC's management arrangements for achieving Best Value. We found that although SFC's procedures were under development, progress in delivering Best Value was being made.

We carried out an overview of SFC's management arrangements in relation to the requirements of the Scottish Executive's Efficient Government Initiative. SFC has committed itself to delivering more than £340,000 in savings from its own running costs and £50m from 'programme costs'. Systems to monitor the 'programme' savings, which are mainly delivered by institutions, are being developed.

We have started fieldwork for a national study on estate management in higher education which we are due to publish in spring 2007.

I would like to record my thanks to management and staff for their co-operation and assistance.

Bill Convery CPFA, Assistant Director, 11 August 2006



Introduction

Scope of the Audit

1. This report summarises the findings from our 2005-06 audit of SFC. The scope of the audit was set out in our Audit Risk Analysis and Plan (ARAP), which was submitted to the Audit Committee on 24 March 2006. This plan described the work we planned to carry out on financial statements, governance and performance.
2. This report to management sets out our findings from the review carried out. The weaknesses outlined are only those which have come to our attention during the course of our normal audit work and are not necessarily, therefore, all the weaknesses which may exist. Although we include a number of specific recommendations in this report to strengthen internal control, it is the responsibility of management to determine the extent of the internal control system appropriate to SFC. We would stress, however, that an effective internal control system is an essential part of the efficient management of any organisation.
3. The contents of this report have been agreed with relevant officers to confirm factual accuracy.
4. This is the final year of a five year audit appointment. We would like to take this opportunity to express our appreciation for the assistance and co-operation provided by officers and members of the Council during the course of our appointment. This report will be submitted to the Auditor General for Scotland and will be published on our website at www.audit-scotland.gov.uk.

Outcome on Risks Identified in the Audit Risk Analysis and Plan

5. We carried out detailed work on grant payments to institutions with satisfactory results. A review of instalments due from colleges with long term loans confirmed that they had been paid as planned. We also satisfactorily tested a sample of clawback calculations for a range of grants. A drawdown error of £210,000 income for Educational Maintenance Allowances was traced to faulty systems at the Scottish Executive.
6. Our review of the compilation of merger figures for the two years disclosed in the accounts confirmed that they had been prepared on a satisfactory basis.
7. Eleven risks were identified at the planning stage. The outcome against planned activity is summarised at Appendix A. We can conclude from the results of our work on these risks that they are being satisfactorily managed by SFC and do not indicate areas of material concern.



Prior Period Follow Up

8. One issue was identified in our Report on the Audit for the period from 1 April to 2 October 2005. We are satisfied that action has now been satisfactorily taken to ensure that appropriate record retention procedures are now in place.

Management Action

9. Audit recommendations, together with management comments, on those areas where further improvements could be achieved are included in the action plan at Appendix B of this report.



Financial Statements

Our Responsibilities

10. We audit the financial statements and give an opinion on whether:

- they give a true and fair view, in accordance with the Further and Higher Education (Scotland) Act 2005 and directions made thereunder by the Scottish Ministers, on the state of affairs of the Scottish Further and Higher Education Funding Council as at 31 March 2006 and of its surplus, recognised gains and losses and cash flows for the year then ended
- they and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Further and Higher Education (Scotland) Act 2005 and directions made thereunder by the Scottish Ministers
- in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

11. We also review the Statement on Internal Control by:

- considering compliance with Scottish Executive guidance
- considering the adequacy of the process put in place by the Accountable Officer to obtain assurances on systems of internal control
- assessing whether disclosures in the Statement are not inconsistent with the information emerging from our normal audit work.

Overall Conclusion

12. We have given an unqualified opinion on the financial statements of SFC for 2005-06. We are able to conclude that the financial statements of SFC give a true and fair view of the financial position for the period from 1 April 2005 to 31 March 2006 and that, in all material respects, the expenditure and receipts shown in the accounts were incurred or applied in accordance with applicable enactments and relevant guidance.
13. Following discussion with the Head of Finance and Facilities, a date of 8 May 2006 was agreed for the provision of the accounts for audit. Accordingly audit work was scheduled to achieve a certification date that would permit the laying of the accounts before the Scottish Parliament by the end of August. Accounts were duly submitted on the agreed date and the completion timetable achieved.



Financial Performance

14. SFC's income and expenditure account for the year records gross expenditure of £1,434m and income of £1,442m resulting in a surplus for the year on operating activities of £8m.
15. The Annual Report to the financial statements identifies that the surplus is largely due to contributions from the Scottish Executive being treated on a cash basis and consequently the matching of income to prepayments was not completed.

Statement on Internal Control

16. A draft Statement on Internal Control was presented to the Audit Committee on 20 July 2006 and signed by the Chief Executive on 2 August 2006. This set out the arrangements operated for risk identification and review, management of identified risks and assurance of effectiveness.
17. We are satisfied that the Statement complies with Scottish Executive guidance, the process put in place by the Accountable Officer to obtain assurances on systems of internal control is adequate and the contents of the Statement are not inconsistent with the information emerging from our normal audit work.

ISA 260: Communication of Audit Matters to Those Charged with Governance

18. My responsibilities in relation to the communication of audit matters to those charged with governance are covered in International Standard on Auditing 260 and outcomes against the requirements of the Standard were reported in a letter to the Accountable Officer and presented to the Audit Committee on 20 July 2006.
19. The accounts have been prepared on a merger basis which is in accordance with the Government Financial Reporting Manual (FRM). On the basis of materiality, a creditor of £1,494,000 for the redistribution of bursary funds in the 2004-05 accounts was not restated to reflect a change in the accounting policies for 2005-06. A number of Educational Maintenance Allowance (EMA) expenditure understatements have been identified by college auditors. Final figures are not yet available but the total value is estimated at less than £150,000. Again, on the basis of materiality, Audit Scotland agreed that these understatements were not sufficiently material to require adjustments to the account. There are no other significant judgements included in the accounts on which we wish to comment.



20. As part of the audit process we identified a number of accounting adjustments that were required:
- removal of £210,000 drawdown from Scottish Executive not received by SFC at 31 March 2006
 - transfer of £154,000 Educational Maintenance Allowances accrued expenditure from Income to Expenditure
 - transfer of £67,000 HE part-time fee waiver clawback from Grants to Income
 - elimination of inter-company debtor/creditor of £71,000.
21. Figures were updated for information received after the first draft was prepared:
- net increase of £121,000 in Grants and corresponding debtor/creditor for the Joint Information Systems Committee.
22. In addition there were a small number of immaterial adjustments which were also reflected in the final account. There are no other significant points arising out of the letter.

Issues Arising

23. We would like to draw attention to the following issues arising from our audit of the financial statements:

Grant offers

- Offer letters including requirements for confirming the timing, regularity and extent of expenditure should be produced for all grants awarded.

Action point 1

Capital and non-capital commitments

- There is scope for reviewing the basis for disclosing commitments in 2006-07 to provide more information for users of the accounts.

Action Point 2



Governance

Introduction

24. Corporate governance is concerned with structures and processes for decision-making, accountability, control and behaviour at the upper levels of an organisation. This section sets out the main findings arising from our review of SFC's corporate governance as it relates to:

- fraud prevention and detection arrangements
- systems of internal control
- review of internal audit.

Overall Conclusion

25. During our audit we reviewed the governance systems operating at SFC. In general, we are content that they are soundly based.

Fraud Prevention and Detection Arrangements

26. SFC's arrangements for preventing and detecting fraud and corruption were assessed during the audit and found to be satisfactory. No frauds were identified by SFC in 2005-06.

Systems of Internal Control

Systems for checking the accuracy of information received from the sectors used in calculating grants

27. During our interim audit visit we reviewed SFC's controls over the accuracy of data received from the sectors. We found that controls appeared to be operating effectively and as described in the risk register with the following minor exceptions:

- HEIs final enrolment figures are cross-checked with HESA (Higher Education Statistics Agency) returns. This control is operating but we are aware that some institutions are concerned about the time and effort required to reconcile the two sets of figures. SFC sought the advice of its statistical advisory group on ways of improving these comparisons. However this group was unable to reach any consensus on this matter, principally because some institutions are able to reconcile the figures more easily than others depending on the way their record systems are set up. SFC will therefore continue to work with institutions to improve these comparisons



- There is a rolling programme of audits to verify the accuracy of a sample of data to underlying institutional records. Because of staff shortages this control did not operate in 2005 but is being resumed in 2006, with additional visits being carried out.

Review of Internal Audit

28. SFC recognises that internal audit is a key element of the internal control system set up by management. A strong internal audit function is necessary to ensure the continuing effectiveness of the internal control system that has been established. To maximise the reliance that external audit can place on internal audit and to avoid duplication of effort, the adequacy of internal audit is assessed each year.
29. Internal audit is provided by KPMG. We completed a review of KPMG's internal audit service as part of the audit of the 2004-05 accounts and found it to be satisfactory. This satisfactory evaluation of the internal audit service allows us to place reliance on a number of aspects of KPMG's work during 2005-06 as was anticipated in our audit plans.
30. A report on payroll was produced by Internal Audit during the period to 2 October 2005. Since then the following reports have been produced:
- corporate governance
 - procurement and contract management
 - funding of strategic research development investments
 - funding to institutions.
31. The following reports were presented to the 20 July 2006 Audit Committee meeting:
- IT security environment
 - management information.
32. We planned to place formal reliance on the work of internal audit, in terms of International Standard on Auditing 610 on the reviews of payroll, funding to institutions and funding of strategic research development investments. We reviewed these reports. None of the observations and related risks precluded planned assurance from being taken for our financial statements audit.
33. On 20 July 2006 the Head of Internal Audit provided the Chief Executive with reasonable assurance on the adequacy and effectiveness of the system of internal control within the Council.



Performance Management

Introduction

34. This section covers our assessment of the way in which SFC secures value for money in the use of its resources. This year we focussed on two main areas:
- Efficient Government
 - Best Value.

Efficient Government

35. The Efficient Government initiative is a 5 year programme with the aim of reducing waste, bureaucracy and duplication in Scotland's public sector. The primary objective is to deliver the same services with less money or to enable frontline services to deliver more or better services with the same money. The Efficient Government Plan sets targets to achieve of £745 million (rising to £900 million) of cash-releasing savings and £300 million (rising to £600 million) of time-releasing savings, by 2007-08.
36. SFC has committed to achieving cash releasing savings of £15 million and time releasing savings of £35 million over the 3 year period from 2005-06 to 2007-08 from "programme" expenditure. These savings will be generated from investment in estates, identifying, sharing and replicating new approaches to the delivery of learning, research and support functions and the development of new collaborative activities, and further development of joint procurement arrangements. In addition, SFC has committed to deliver more than £340,000 in savings from its own running costs.
37. During 2005-06 Audit Scotland completed a management arrangements diagnostic on Efficient Government activities across a number of Central Government organisations including SFC. It aimed at providing baseline information on arrangements across a range of Efficient Government related topics.
38. Overall we concluded that, at the time of our audit in March, SFC did not at that stage have systems in place for monitoring, measuring and reporting all the "programme" efficiency savings which contribute to the efficient government plan. Systems are now being developed in consultation with institutions. We note that institutions are responsible for delivering most of the savings.
39. A detailed position statement of the sample of public sector organisations in Scotland is being produced by Audit Scotland and will be issued shortly.



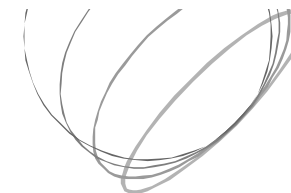
Best Value

40. There is no statutory duty of Best Value in the wider public sector in Scotland (the Scottish Executive and its Executive Agencies, Executive NDPBs, and the NHS). Instead, the Scottish Executive issued high level guidance in May 2003, followed by more detailed draft secondary guidance in August 2003. This duty can be described as:
- to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost)
 - to have regard to economy, efficiency and effectiveness, and the equal opportunity requirements
 - to contribute to the achievement of sustainable development.
41. In May 2005, Ministers decided that they would not bring forward legislation which extends Best Value in the wider public sector. However, as Ministers do wish to encourage and embed the principles of Best Value across the wider public sector, revised guidance was issued in May 2006.
42. For 2005-06 Audit Scotland reviewed how well advanced arrangements are in place by public bodies across the central government sector to demonstrate Best Value, and to identify areas of good practice. As part of this review we completed a Best Value analysis to establish baseline information on the management arrangements in place within SFC. The overall aim of this analysis was to establish the organisation's arrangements for taking forward the Best Value agenda and demonstrating continuous improvement.
43. Overall, we assessed SFC's arrangements to secure Best Value as being under development but indicating progress. We note that SFC have a Quality Enhancement Plan and have consulted widely on the forthcoming corporate plan. We also note the progress made towards creating a sustainability framework in further and higher education.
44. The results of the national review across the wider public sector are currently under review and will be published by Audit Scotland during 2006.



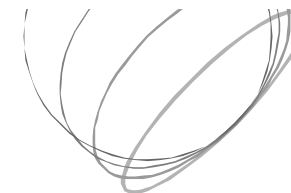
National Studies

45. The Central Government team within the Performance Audit division of Audit Scotland is currently undertaking a study on estate management within higher education. The objectives of the study are to examine:
- whether higher education institutions (HEIs) have good estate management strategies
 - to what extent HEIs meet the priorities for good estate management
 - how HEIs ensure their buildings are fit for purpose.
46. Fieldwork is underway and the study team will be visiting eight case study sites as well as interviewing those involved in higher education across the sector. The report is due to be published in spring 2007.

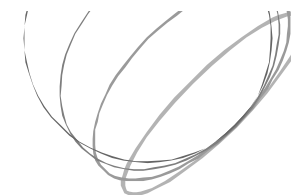


Appendix A: Outcome on Risks Identified in the Audit Risk Analysis and Plan

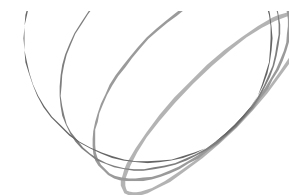
Risk	Management assurances	Planned audit action	Outcome
<p>Retention of Documents</p> <p>1. The SHEFC register of members' interests was destroyed shortly after the merger.</p> <p>In this transitional period, there is a risk that other documents which should be kept will be destroyed.</p>	<p>Guidance for staff on retention of records is being developed as part of the Council's Records Management Project and will be completed by June 2006.</p>	<p>Follow up development and implementation of guidance.</p>	<p>Retention guidance has been sent to staff.</p>
<p>Accounting policy for joint project funding</p> <p>2. Funding from Scottish Executive for joint projects is accounted for on a cash basis contrary to the matching principle.</p>	<p>SFC confirmed that this was the agreed practice for Scottish Executive contributions.</p>	<p>Audit Scotland Scottish Executive auditors will review this practice.</p>	<p>Project contributions from the Executive continue to be treated on a cash basis. Accounting for EMA income which is not a joint project is also accounted on this basis. Audit Scotland's Scottish Executive auditors have not yet concluded their review.</p>



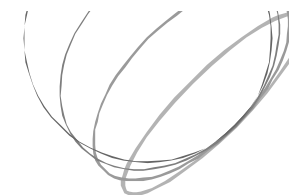
Risk	Management assurances	Planned audit action	Outcome
<p>Efficient Government and Best Value</p> <p>3. There is a risk that efficient government and best value requirements are not appropriately managed and fully delivered.</p>	<p>SFC has identified time and cash releasing savings to be made by further and higher education institutions amounting to £50m by 2007-08 and has developed action plans.</p> <p>An SFC Corporate Plan priority is to ensure that a culture of sustainable development is established in all colleges and institutions. The performance of the sectors is monitored by using strategic plans and the use of performance indicators and other relevant financial data.</p>	<p>Audit Scotland will review management arrangements using a diagnostic audit tool.</p> <p>Audit Scotland will review the arrangements in place in support of the Best Value duty on the Accountable Officer.</p>	<p>Audit Scotland completed the Efficient Government Initiative diagnostic and reviewed the arrangements in place to achieve Best Value.</p> <p>National reports will be produced later in 2006.</p> <p><i>See paragraphs 35-44.</i></p>



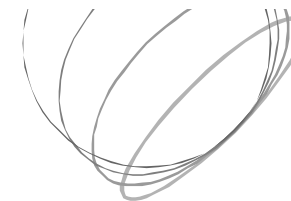
Risk	Management assurances	Planned audit action	Outcome
<p>Institutional failure</p> <p>4. The risk register has low probability, high impact risk of failure by SFC to act timeously in response to a financial or governance/operational failure by a college or institution.</p> <p>The risk register also has medium probability, high impact risk of failure to achieve financial security in the FE sector.</p>	<p>Management assurances include a comprehensive and forward-looking financial health monitoring framework, regular monitoring of colleges' progress towards achieving financial security, use of FEDD expertise and support from GMAP where appropriate.</p>	<p>Monitoring of reports on Institutions' progress and FEDD activities. Checking that instalments due from colleges with long term loans have been paid in line with agreements and whether any new loans have been issued.</p>	<p>Our audit identified that instalments due from colleges with long term loans have been paid as scheduled. No new loans have been made.</p> <p>We reviewed the progress made on financial security for the Further Education Sector as a whole and noted that close attention is being paid by SFC to certain colleges' financial positions. These have included discussion at Council and Audit Committee meetings, and the involvement of FEDD. We also reviewed the recent recommendations made by the Audit Committee of the Scottish Parliament to the SFC.</p>
<p>Account format</p> <p>5. There is a risk that the draft account may not be prepared correctly on a merged basis and may not be in accordance with the Financial Reporting Manual (FReM).</p> <p>The SFC financial system did not change at the time of the merger and the trial balances at 31 March 2006 will contain transactions from 1 April to 2 October 2005.</p>	<p>Comprehensive closedown procedures and timetable have been prepared by the head of SFC Finance and Facilities Branch and the requirements of FReM have been reviewed.</p> <p>A reconciliation has been prepared to identify and adjust for closing balances at 2 October 2005.</p>	<p>Closedown procedures, timetable and trial balance reconciliation will be reviewed. Formats will be examined for compliance with FReM and NAO disclosure checklist.</p>	<p>The draft account was produced on time and to a high standard.</p> <p>After receiving comments from Audit Scotland and with the agreement of Scottish Executive, SFC decided that the financial statements would include full financial year 2004-05 and 2005-06 figures.</p>



Risk	Management assurances	Planned audit action	Outcome
<p>Grant clawback</p> <p>6. There is a risk that grant clawback amounts due are not identified, are incorrectly calculated, fail to take account of late changes, are incorrectly deducted from amounts payable or are incorrectly accounted for.</p>	<p>Systems are in place to request and analyse data from institutions and colleges. Processes are explained in circulars and colleges and institutions can check accuracy of SFC calculations.</p>	<p>Grants audit testing will include a review of any residual clawback from 2005 circulars and audited returns and arrangements for recovery of amounts from 2006 circulars and audited returns.</p>	<p>A sample of clawback calculations for various grants was tested. No errors were found. The only issue identified was the treatment of HE part-time fee waiver clawback as a credit to grants rather than to income. This was amended in the revised draft.</p> <p><i>See paragraph 20.</i></p>
<p>Data for grant calculation</p> <p>7. The risk register has medium probability high impact for risk of errors in information received from the sectors used in calculating grants.</p>	<p>Audit of FES/SUM returns by colleges internal auditors and high level checks by FE funding.</p> <p>HE data is subject to various checks as listed in the risk register.</p>	<p>Audit testing will include a review of the extent to which the controls referred to in the risk register and circulars have been applied.</p>	<p>The results of the review were generally satisfactory apart from two minor exceptions on which SFC are taking action.</p> <p><i>See paragraph 27.</i></p>
<p>Capital project management</p> <p>8. The performance monitoring report comments that "Successful delivery of estates projects particularly by institutions with little experience of capital project management might prove difficult.</p> <p>There is a risk that colleges do not complete construction of projects as agreed."</p>	<p>The Property and Capital Funding branch assurance statement to 2 October 2005 refers to setting up a Project Support Team to strengthen and broaden the level of advice for and monitoring of the capital programme. Formation of the team was announced in "Support for institutions: estates projects" issued in November 2005.</p>	<p>Audit testing will include a review of Property and Capital Funding branch monitoring procedures for the capital programme and the work of the Property Support Team.</p>	<p>The Property and Capital Funding branch will review the work of the Property Support Team in August. We intend to review their report as part of our planning for the audit of the 2006-07 accounts.</p>

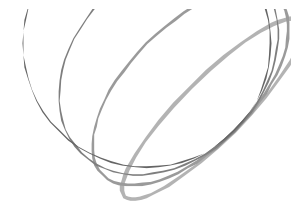


Risk	Management assurances	Planned audit action	Outcome
<p>Ring fenced programme budget overrun</p> <p>9. Expenditure on ring fenced programme funds in a financial year may exceed the budget agreed with the Scottish Executive when converted to an academic year profile.</p>	<p>SFC check conversion over AY and FY.</p> <p>STSS is to be embedded into Colleges core grant over a 4 year period and will no longer be ringfenced</p>	<p>Review profile of grant payments and check procedures that ensure that over or underpayments are subsequently adjusted.</p>	<p>We did not identify any significant under or overspending. SFC are aware that if ring-fenced funds are underspent on a financial year basis they are liable to repay the Scottish Executive, or fund any overspend from other resources.</p>
<p>HE estate investment and maintenance</p> <p>10. A recent report suggested that there was a backlog in estate capital investment and maintenance in Higher Education institutions. There is a risk that this could affect the sustainability of the sector.</p>	<p>Audit Scotland review of HE estate remit to be agreed by the end of March. Study complete Winter 2006.</p> <p>Joint Funding Councils commissioned J M Consulting to report on sustainable levels of capital investment for research and teaching. Report due June 2006.</p>	<p>Audit Scotland are considering a study in this area. The scope and report times are being discussed.</p>	<p>The scope of the study has been agreed and field work has commenced.</p> <p><i>See paragraphs 45-46.</i></p>
<p>SFC website</p> <p>11. The development of the SFC website is a part of the 21st Century Government Strategy which seeks to deliver services in electronic form. There is a risk that the SFC website may not improve customer services and achieve Modernising Government targets.</p>	<p>SFC have:</p> <ul style="list-style-type: none"> - consulted stakeholders for requirements; - improved quality of source documents for website information; and - Knowledge Management Information Technology (KMIT) project board oversee and report to SMT. 	<p>Audit Scotland will carry out an overview of the SFC website and seek to establish the arrangements in place for the following areas: strategy and development, accessibility and content, maintenance, security and performance monitoring.</p>	<p>This review has been postponed at the request of the SFC Heads of Information Systems and Information Management pending developments in the SFC website and further discussion on the scope of the review.</p>



Appendix B: Action Plan: Recommendations for Further Improvements

Action Point	Para. No	Issue, Risk and Audit Recommendation	Importance	Management Response	Responsible Officer	Target Date
1	23	<p>Grant offers</p> <p>£300,000 was paid to Edinburgh University on 31 March 2006 as a grant for Chinese Culture and Language. The offer letter did not include specific conditions.</p> <p>£2 million was paid in 2005-06 to Anniesland College for the HN Modernisation project. Although a grant offer letter had been issued to Anniesland in 2004-05 this related only to the 2004-05 grant.</p> <p>We are aware that the Council normally issues detailed offer letters for grants other than those in the main grants circulars. These offer letters detail amongst other items, the purpose of the grant and the conditions of its use including the level of confirmation required. Without some form of confirmation of expenditure, the Council can have no assurance that funds have spent as intended.</p>	Medium	<p>Agreed.</p> <p>Programme managers will be reminded of their responsibility to include specific conditions of grant with all grants awarded.</p>	Ingrid Hawkins	31 July 2006



Action Point	Para. No	Issue, Risk and Audit Recommendation	Importance	Management Response	Responsible Officer	Target Date
		<i>We recommend that the Council ensures that all grant offer letters contain requirements that will provide the Council with adequate assurance on how the grant was spent.</i>				
2	23	<p>Commitments</p> <p>The Capital and non-capital commitments note states that it includes commitments within the remaining period of the current academic year. This excludes grant offers made before 31 March 2006 where expenditure will be incurred after the end of AY2005-06. Examples are grants for college capital building projects, West Lothian College PFI and the main HE grant circular for AY2006-07.</p> <p>We are aware that NDPBs and Agencies in Scotland adopt a variety of practices. A number of bodies provide a higher level of disclosure.</p> <p><i>We recommend that the Council consider for the 2006-07 accounts whether fuller disclosure would be more meaningful.</i></p>	Medium	<p>Agreed.</p> <p>SFC will investigate including future estimated commitments in the notes of the report and accounts from 2006-07.</p>	Ingrid Hawkins	31 March 2007



Appendix C: Auditor General for Scotland published reports

Accounts Commission and Auditor General for Scotland

Community planning: an initial review (published 16/06/2006)

Community planning partnerships have made progress but need to do more to show how their work is improving public services. The report also says that their complex remit makes it difficult for them to achieve their aims and calls on the Executive to support community planning more effectively.

Accounts Commission and Auditor General for Scotland

No hiding place: the National Fraud Initiative in Scotland (published 17/05/2006)

Scotland's councils have worked with other public bodies to identify £15m worth of fraud and errors in a national detection exercise.

Auditor General for Scotland

Scottish Further Education Funding Council: A progress report (published 26/01/2006)

The Scottish Further and Higher Education Funding Council (Funding Council) is making progress on a number of fronts, according to a report published today by the Auditor General for Scotland.

Auditor General for Scotland

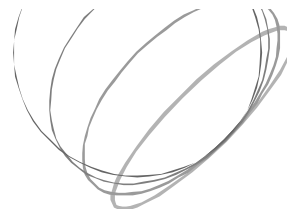
Leadership development: How Government Works (published 17/11/2005)

Scotland's public sector has good examples of investment in leadership but many individual organisations do not have clear policies and most are unable to link the spending to improvements in their performance. Public bodies need to do more to track the £5m they invest each year in leadership development and make sure it results in better managed organisations and better public services, says Audit Scotland.

Auditor General for Scotland

Scottish Executive: supporting new initiatives. How Government Works (published 10/11/2005)

Last year the Scottish Executive launched new initiatives amounting to £1.4 billion. The management of these projects is generally sound, but making changes could help to improve control of the funding and allow better assessment of whether the money is helping to achieve policy aims.



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