

BISHOP GROSSETESTE UNIVERSITY

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MINUTES OF THE MEETING OF THE  
AUDIT COMMITTEE

TUESDAY 18 JUNE 2013  
2PM IN ROOM 102, SKINNER BUILDING

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**Present**

Mr David Clements (Chair)  
Mrs Bridget Starling  
Mr Jim Smith  
The Revd. Sally Myers

**In attendance**

Rev Professor Peter Neil  
Mr Steve Deville, Director of Resources  
Mr Jonathan Holmes, External Auditor (Tenon)  
Mr Steve Kirby, Head of Finance  
Ms Katie White, Assistant Policy Officer  
Ms Haf Merrifield, Deputy Principal  
Mr Michael Ritzman, Internal Auditor (UNIAC)  
Mr Sean Ryan (UNIAC)  
Dr Jenny Rees, Dean of Academic Engagement (item 6)

**1. Welcome from the Chair**

The Chair welcomed colleagues to the fourth meeting of the Audit Committee for 2012/13 and noted Julie MacDonald's resignation from Council.

**2. Apologies**

The Very Rev'd Philip Buckler sent his apologies

**Action**

**3. Minutes of the last meeting held 7<sup>th</sup> November 2012**

The minutes were approved as an accurate record subject to an amendment of item 8 to read 'staff morale'.

**4. Matters arising**

- (i) The Committee received the Charity Commission Annual Return 2012 and noted that the submission had been made appropriately.

**5. External audit**

- (i) Planning arrangements for the financial year ending 31<sup>st</sup> July

The Committee received an overview of the Audit Strategy Memorandum.

Discussion took place regarding the issue, FRS 17 – Accounting for Pensions and the appropriateness of assumptions made. It was noted that this was expected around July 2013 and would then be forwarded to the external auditors for sector comparison.

The materiality figure of £198,000 was agreed by the Committee

The outcome of the report would be received later in the year.

**6. Data**

- (i) Student Data update

The Dean of Students and Academic Engagement provided an update on progress with BGU student data.

The Committee noted the improvements in the returns made by the University and the way BGU collects student data along with the expectation of further improvements stemming from the recent RIE (Rapid Improvement Event).

The RIE suggested the need to include provision in the budget to consider further development of the current student records system; or alternatively investigate the purchase of a new system.

Staffing within the data team was discussed. The resignation of the Data Manager provided an opportunity to re-grade this position prior to advertising for a replacement. A staffing agency would be used for the meantime to bridge the gap.

(ii) Collection of student tuition fees

£9.4m out of a total of £10m had been received to date for the payment of tuition fees. The main reason for the disparity between earnings was attributed to the issues previously noted to the Committee surrounding change in circumstances.

In noting the significant improvement in the figure recovered by the University for tuition fees, it was agreed that a further review would take place at the end of the year with a view to allocating a provision for potential bad debt. The RIE has also significantly improved the process surrounding fee collection and clarifying the responsibility of confirming attendance.

(iii) Data protection update

The Committee received the paper produced by the Deputy Vice Chancellor outlining the events surrounding a recent data protection breach within BGU and noting the actions taken to ensure the breach remained an isolated occurrence.

The University was yet to receive a response from the Office of the Information Commissioner but an update on this would be presented at the next meeting in September.

**Next  
meeting**

**7. Internal Audit**

(i) Update on audit reviews

(a) Review of data protection and freedom of information

The report was outlined to the Committee, noting the conclusion had been amended to reflect the incident stated in agenda item 6(iii).

Discussion took place on the suggestions surrounding the security of data, particularly the use of mobile devices. It was noted that suggestions of the report were currently under consideration by the University and decisions would be brought to the next meeting in September.

**Next  
meeting**

(b) Review of Estates and IT procurement

The Final report on the review of procurement – Estates and IT, was summarised to the Committee. The controls around procurement were found to be generally robust and the recommendations highlighted within the report referred to

improvements surrounding pre-existing processes.

Discussion took place to ensure there were adequate competitive checks for procurement arrangements. It was agreed that, although there was currently a policy in place within BGU, the recommendations of the report would be considered in future, along with the suggestion to develop an existing member of staff for procurement.

The Director of Finance brought forward a proposal to amend the authorisation levels within BGU. The proposal was to increase the limit for the Finance Manager to authorise requests between £1000 and £5000; the Director of Finance to authorise requests between £5000 and £10,000 and the Vice Chancellor to approve requests over £10,000. Noting that the number of checks would remain the same, the Committee was content to approve the proposal.

(ii) Proposed timetable for academic year 13-14

The Committee reviewed the Internal Audit Annual Plan 2013/14. It was noted that although there was no proposal to review Health and Safety, the University currently employs an external consultant to gain reassurance in this area and the Health and Safety Committee reports annually to FE&GP Committee.

There were two audits remaining in the 12-13 programme. It was agreed that the student data audit and the 5 days allocated for this would be subsumed into the programme for 13-14. The Committee discussed the value of the asset management audit and agreed this would be replaced by an audit on the Finance system. Any deficiencies in the area of asset management would be presented at the Audit Committee meeting in Spring 2014.

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## 8. Risk register

(i) Update on major risks

Since the last report to Audit Committee, it was noted that there had been a significant increase in the assessment of the risk for BGU failing to recruit sufficient students and the risk of Initial Teacher Training (ITT) no longer being delivered through higher education.

Though it was reported that all possible mitigation activities had been completed, the challenges regarding recruitment were evidenced across the sector. Consideration of the portfolio of offers would be undertaken in future to ensure BGU continued to attract

students. The Committee expressed continued support for the institution, particularly with regards to the coming clearing event.

The uncertainty of the future of ITT was discussed noting the lack of control afforded to Higher Education Institutions. The University would continue to build on its good relationships with partner schools in responding to any proposed changes.

**9. Agenda suggestions**

- Update on data protection breach
- Annual audit report draft
- Staff recruitment and fundraising
- Financial system testing

**10. Key items for the Governing Body**

- Data
- Modified internal audit plan

**11. Any other business**

There were no items raised.

**12. Date of next meeting**

The next meeting of the Audit Committee will take place on Monday 30 September 2013.

Signed ..... 

Date ..... 30/9/13 .....

