BISHOP GROSSETESTE UNIVERSITY

MINUTES OF THE MEETING OF THE
AUDIT COMMITTEE

TUESDAY 8 March 2016
2.00 PM IN CSH 7

Present

Mr David Clements (Chair)
Rev'd Sally Myers
Mrs Angela Crowe
Dr Jim Smith

In attendance

Dr Anne Craven, Registrar & Secretary
Mr Barry Clarkson, Director of IT and Systems Development (for item 11 only)
Mr Stephen Deville, Director of Resources
Ms Jenny Harron, Internal Auditor (Uniac)
Mr Joe Johnson, Internal Auditor (Uniac)
Dr Grahame Killey, Planning & Performance Manager (for item 8 only)
Professor Jayne Mitchell, Deputy Vice Chancellor
Rev'd Canon Professor Peter Neil, Vice Chancellor
Mr Sean Ryan, Internal Auditor (Uniac)
Mr Barrie Shipley, Head of Finance
Mr Ed Ward, External Auditor (Mazars)
Mrs Terry-Jane Brown, Acting Governance, Compliance and Operations Manager

	Action

Welcome

The Chair welcomed members to the meeting.

1.   **Apologies**

Apologies for absence were received from Jackie Croft.

2.   **Declarations of interest**

There were no declarations of interest.

3.   **Minutes of the last meeting held on 3 November 2015**

The minutes of the last meeting held on 3 November 2015 were APPROVED as a

true record of the meeting and the Chair was authorised to sign them.

4.   **From the part of Audit Committee, to give first approval to the Minutes of the joint FE&GP and Audit Committee meeting held on 3 November 2015**

First approval of the Minutes held on 3 November 2015: the minutes were APPROVED as a true record of the meeting and the Chair was authorised to sign them. They would be forwarded to FE&GP Committee for final approval.   **NP**

5.   **Matters arising**

(i)   Action points

Members reviewed the matters arising table and NOTED the progress of actions arising from the previous meeting.

Referring to item 5 on the matters arising table the DVC reported it was still not known if ITE students would be included on the NSS 2017 return. It was NOTED if ITE students were not included on the return then this would have significant impact to the institution. The DVC explained the rationale for this exclusion as a purely financial decision by NCTL; the NCTL already feel they get sufficient feedback from the NQT survey, so do not see any reason to pay twice for the same information. The VC highlighted to Members that this rationale by NCTL was incorrect as the NQT survey focused on very different areas and therefore could not be compared like for like. The DVC advised Members that she would continue to lobby for ITE inclusion and would advise Members if there were any further developments.   **DVC**

Referring to item 6 on the matters arising table, the Uniac internal auditor advised Members that due to the HER review, the review of Collaborative Provision had been delayed; however, some initial feedback had been given to key people involved with collaborative provision in view of the (then) forthcoming HER so that issues could be outlined.

Referring to item 6 iv on the matters arising table, the Uniac internal auditor advised Members that the report dealing with Partnership and Placements had been revised; it had been agreed with the R&S that it could be uploaded onto SharePoint so that the report could be made available to University Council Members.   **Uniac/AKC/ NP**

In reference to item 8 on the matters arising table, the Safeguarding policy would be addressed further in the agenda.

(ii)   Any other matters

Item 5 (ii) a. Audit Committee Annual Report

The Committee RECEIVED and NOTED the Audit Committee Annual Report in its updated format. It was NOTED that the suggestions made by the University Council regarding Value for Money had been implemented in the updated version on page 7. The DoR highlighted to Members that Value for

Money was becoming an increasingly significant issue for HEFCE and would be so in the future; therefore it was important for Bishop Grosseteste University to be proactive in this area.

Item 5 (ii) b. To RECEIVE and APPROVE the revised Safeguarding policy
The R&S advised Members that BGU's Code of Practice for Safeguarding Children and Vulnerable Adults had implemented all the amendments identified by the Committee; it had also being reviewed by the Local Authority Designated Officer (LADO) who was happy with the content of the policy. The CoP was available on the Website.
It was NOTED that Members raised a number of specific concerns:

- Questions were raised why the document came to Audit Committee. It was clarified it had been approved by SLT according to the University's policy updating schedule, but the CoP had been brought to Audit also as a Committee of the Council as it could potentially have strong implications e.g. for students who needed to be excluded from a placement or from studies altogether on the basis of the policy ('special or onerous content').
- It was felt that a simple flowchart could still highlight the steps to be taken, should an incident arise.
- It was proposed that definitions in section 2.2 of the CoP would need checking *[Secretary's note: the definitions are correct according to Children Act 1989 i.e. under 18 years of age – see Children Act 1989 s. 105]*

It was stated by the R&S that the CoP brought to Committee and discussed at the meeting had replaced a policy which had been very out of date, and that the updated version had been produced by a member of staff on longer in the organisation. The revised Code had implemented the recommended amendments made by the Committee on 3 November 2015 and had, after SLT, also been received by Senate in December 2015, in order to meet the QAA HER deadline and various legal/CMA-related Admissions procedure deadlines. The R&S acknowledged the issues and comments made by Members and noted that the CoP would be further developed and revised. It was NOTED that the R&S was happy to receive any recommendations from Members about the how to improve the Code of Practice further, and all suggestions and support would be welcomed.

R&S/GCOM

All Cttee Members

The R&S advised Members that the University's policy updating schedule was a spreadsheet which held a record of all polices (review dates, ownership, committee approval), which was currently being updated after the QAA HER. The Chair REQUESTED for this document to be made available to the Committee at a future meeting so an overview and comment could be made for polices in the future.

R&S/GCOM

6.   To Approve the Annual TRAC Return

The Committee RECEIVED the Annual TRAC Return and it was NOTED it had already been submitted, before formal approval by the Audit Committee. The Committee was advised that if there were any issues then changes could be made. The Chair REQUESTED for future reports to be made available to the Chair before submission. DoR acknowledged the request made by the Chair and it was

highlighted that the retrospective approval was common practice across the sector; as it was generally acknowledged that many Audit committees did not meet again after November before the due date for the return's submission. DoR agreed that in the future, the report could be submitted to the Chair of the Audit Committee for approval before submission.

The Audit Committee APPROVED the Annual TRAC return.

7. **HEFCE Assurance Review**

The Committee RECEIVED an update from the R&S on the HEFCE Assurance Review, scheduled for 15 March 2016. It was NOTED it was a periodical review of governance. A year's worth of minutes for Council, FE&GP and Audit had been made available, and the reviewers would meet with the Chair of University Council, the Chair of Audit Committee, Registrar & Secretary, Vice Chancellor and the Director of Resources, each in individual meetings. Briefing documents had been prepared.

8. **Risk Register**

The Committee invited GK to the meeting and RECEIVED the Risk Register for CONSIDERATION. GK highlighted to the Committee six changes and four major updates on the updated Risk Register presented:

- Ofsted – SA2 – BGU8/9 –It was NOTED Ofsted and QAA demonstrated reduced risk due to the positive outcomes received in both assessments. In regard to the published outcomes of Ofsted, all areas were assessed as positive, although the FE provision had been highlighted as requiring some improvement and would therefore be undergoing re-inspection; however, it was NOTED this would involve only approx. 30 students and was therefore reflected in the net risk recording. The DVC stated that she was confident that the re-inspection would also yield a positive outcome. The score had been left at 3 because there might be an issue in regard to timescales and that possibly not enough evidence could be accumulated to demonstrate strengths in this area. Leadership and efforts overall were lauded by the Committee.
  QAA – A draft report had been received on 3 March 2016 and Council would receive a full draft for the meeting on 22 March 2016. It was NOTED that the SLT was delighted with the outcome. The R&S advised the Committee that the draft report had given an even better result than had previously been expected on the basis of the key findings letter, which had already been very positive. It was NOTED the Chair extended, on behalf of all Members, a note of congratulations to everyone involved with the QAA Higher Education Review, and it was recognised that there had been significant leadership to achieve such an excellent outcome.
- Data – SA2 –BGU7 – It was NOTED improved processes were now in place for all statutory returns, which was reflected in the significant reduction in risk. It was NOTED better training for staff and better quality controls had all contributed to the risk being lowered. Additionally, it was stated that Bishop Grosseteste University was working towards implementing more in-depth data usage processes, reflecting changes in the HE sector. It was

NOTED by the Chair that the institution had addressed the accuracy of the data produced, which had been the actual topic of the risk as it had been placed on the risk register, and the University was now developing how the data could be used even better.

Prompted by this, the R&S asked the Committee if it might be helpful to set up a working party to look at the Risk Register and review it for the Summer meeting of the Committee. In addition, the Risk Register would be looked at within Business Planning; how operational risks tie into the executive risk register. No Council Member volunteered to become members of a working group on risk; hence, the register would be reviewed internally.

AKC&GK

The Chair asked whether the ownership of the risk could be made even clearer in the reporting. The Committee was advised that all risks were maintained by SLT collectively. The VC advised the Committee that the main owners of risks in certain areas were easily identifiable; however, other areas had a more collective responsibility encompassing intensive work across a variety of sections, such as in the case of student recruitment.

- Student Recruitment – SA1– BGU4 – it was NOTED that recruitment for 2016/17 had moved from amber to red, owing to the lower numbers of UCAS applications at this particular stage in the applications cycle. The pattern of applications had changed: new programmes were performing better than older favourites. The Portfolio Management Group was the strategic group of the University set up to consider portfolio issues in the context of current and likely future applications; strategies allowed Heads of School to target potential interest, thereby maximising potential applications and ultimately the all-important conversion rates. Overall, the portfolio was being managed more carefully and strategically. It was noted that changes in the recruitment of teachers easily impacted BGU and the institution had to be flexible when encountering changes in policy, for instance through working with real time data. It was also emphasised that BGU's planning processes were robust and that they had also been tested; BGU was still projected to make – and to an extent, even to exceed – the student numbers planned back in May 2015. It was also noted that the recent BPS accreditation in Psychology was positive, which would ultimately also affect recruitment positively.
- BGU Profile – SA1-BGU16 – It was NOTED that risks related to BGU's profile were reducing e.g. due to the University's increased presence on Facebook, Twitter etc. This was also linked to KPIs so could be measured more effectively as the institution's overall performance was assessed.
- Managing Change – SA1– BGU11 – It was NOTED that there had been an increase in change management activity, although awareness of the programme was still fairly low. Significant external changes had brought in an element of uncertainty and there were some concerns about responding to things about to take place, e.g. staff survey. It was highlighted that there would certainly be other changes taking place; Bishop Grosseteste University would need to prepare and staff would need to be made aware that they would have to adapt yet again. There was going to be a specific management training programme for Senior and Corporate Leadership Teams to help address this issue and embed the ability to adapt. The Chair commended the leaders' and staff members'

open-mindedness to adapt, and to change, in the context of the wider higher education environment.

    Finally, it was NOTED that the Risk Management Policy had been guidance but was now formally instituted as policy at BGU.

9.   Audit Report

The Committee RECEIVED and NOTED the Internal Audit Reports which provided an overview of the work undertaken in this period and the work to be undertaken in terms of internal audit at Bishop Grosseteste. The Internal Auditor presented the report, highlighting the key points for the Committee to note. It was NOTED that Jenny Harron would be taking over from Joe Johnson as Bishop Grosseteste's Uniac representative.

It was NOTED that in overall terms, Bishop Grosseteste University was where it was expected to be in its internal audits at this time of the year.

i.   Internal Audit progress report

The Internal Audit progress report and midyear reflection against audit plan were RECEIVED, presented by the Internal Auditor; progress was NOTED in the period.

ii.   Review of Re-Enrolment and Enrolment

The Review of Enrolment and Re-Enrolment was RECEIVED. It was NOTED that enrolment/re-enrolment had been identified as an area for audit with certain risks involved because the processes had been manual and therefore subject to inaccuracies in data capture. It was NOTED by the R&S that in the long term the process would look to move towards being more online-based. This year, some more online-based elements would be introduced: Student Administration and Finance would be working together in order to email students their first re-enrolment notifications, and a student's response would then in turn trigger the finance payment. The Re-enrolment planning group was also looking into introducing another IT-related element to the process; if the expiry date in the students' IT cards could be timed towards their re-enrolment, the students would need to come in onto the campus to re-activate their cards and could then be recorded as having returned. Barrie Shipley would be meeting with representatives from Student Administration and Data in order to look at how emails to re-enrolling students could be actioned earlier. It was stated by the Internal auditor that implementation of an attendance monitoring system could help students to engage with their studies more, and their engagement could also be monitored. It was NOTED by the R&S that an attendance monitoring system was in fact in place at BGU, feeding into the student record system. In addition, R&S reported that there was a group reviewing possible electronic systems for future consideration. It was stated that many large institutions did have complete online systems; however, these also had issues. The VC NOTED the improvements made recently in this area and was happy that the labour intensive system was being developed.

iii.   Tuition Fee Billing

It was NOTED the University had been proactive and recruited a Fees Officer, whose input had been instrumental in improving the University's developments in this area of work, leading into substantial achievements.

iv.   Competition and Markets Authority (CMA)

It was NOTED CMA guidance had been published in March 2015, and it had been agreed last summer that Uniac would provide consultancy work for BGU in order to help to look at how the University's CMA compliance could be enhanced. The consultancy had been completed in the early autumn; since then, the University had significantly developed the area. The management actions were either completed or about to be completed.

v.   Cyber Security

It was NOTED this item would be picked up in item 11 on the agenda.

vi.   MKI Audit Tracker Report

The Committee RECEIVED the MKI Audit Tracker Report. It was NOTED that there were a number of revised implementation dates put to the Committee. It was NOTED by the R&S that the revised dates had been discussed and agreed with SLT. It was noticed that one revised date read as 2015, although it should read 2016; this would be corrected.   **TB**
          All revised implementation dates and Closed Actions were APPROVED by the Committee. It was REQUESTED by the Committee for revised implementation dates to detail the previously agreed dates also so   **Uniac/** that the Committee would be able to monitor long-term.   **GCOM**

vii.   Briefing Note: UUK Research Concordat

The Committee RECEIVED the updates on UUK Research Concordat. It was NOTED that the Concordat was becoming increasingly mandatory in the sector and it was important to be sending the right signal about research integrity. BGU's Research Committee was looking at training and how research ethics championed through the Concordat was embedded in research activity. The DVC reported that Bishop Grosseteste was refreshing its research strategy, which would address this issue.

viii.   Briefing Note: HE Governance Update

The Committee RECEIVED the HE Governance update.

10.   **Student Contention Reports**

The Committee RECEIVED the Annual Reports on Student Contention, Academic Appeals and Admissions Complaints.

Certain issues were highlighted by the Committee:
- Numbers of complaints and appeals were relatively low, which was positive
- Academic Appeals showed 9 with recorded disability; there was concern that this was something which should be reviewed.
- Reports should in the future be presented also with some benchmarking data against other institutions in order to have a more comparative context

The R&S explained that the recorded disability was in part due to the institution's having adopted another way of support students, in line with sector practice. The matter had also been discussed in the Annual Report of the Academic Health of the Institution.

11. IT Department Structure and Cyber Security

The Committee RECEIVED an update from the Director of IT and Systems Development on the recent restructuring of the institution's IT services and the IT team in order to be best placed to meet the institution's future IT needs. The team that had been restructuring had been split into two strands:

1. Systems
2. Infrastructure and Support

It was NOTED all the technicians now had individual skill sets specifically deployed to support the restructure. The restructuring process had been completed in December 2015. There were two vacancies, although both of these now have had appointees, with start dates around April 2016.

Cyber Security – It was noted that risks in this area had undergone a number of changes throughout the past few decades. It was stated that Bishop Grosseteste had not yet been targeted, but as the institution grew then this could become more of a risk. A recent audit report on Cyber Security had been reviewed, with actions completed and implemented with significant progress in:

- Specialist network knowledge
- New firewall technology
- Structure of staff

It was stated that access controls for new staff had been implemented, with IT working with HR to manage the related processes. There had also been an asset inventory which had not previously been in place. Other areas are in progress were:

- USB mobile device use – looking at the encryption levels on data
- Server log analysis – looking at having an automated monitoring and alerting service which will analyse if there is any interesting info on Bishop Grosseteste University's servers
- Vulnerability scanning services – checking the systems on a day-to-day basis using specialist tools.

Other issues going forward were:

- Phising Attacks – further training and systems in place
- Firewall – looking at the next generation firewalls to protect the institution better
- Prevent Agenda – looking at keyword monitoring and assessment.

Ongoing issues would be targeted with mandatory training for staff and students. It was NOTED the Committee were reassured with the new IT strategy and restructure in place.

12. **Future Approaches to Quality Assurance**

The Committee was invited to CONSIDER a verbal summary from the DVC on the consultation for 'future approaches' to Quality Assessment by HEFCE.
The DVC advised the Committee that there had been no further official information received to date. The DVC had received word from the HEFCE board meeting that a technical document should be released in the next two weeks; this would set out the approach of the pilot phase to Quality Assurance. Institutions which have not gone through the QAA HER would be used in the pilot; however, the DVC highlighted that local government elections and the EU referendum would be coming up so there might be a fairly quiet period about to follow owing to the purdah. The DVC assured the Committee that Bishop Grosseteste University would be involved in all consultations; moreover, there was an internal BGU Group set up for the Teaching Excellence Framework (TEF). The Audit Committee would be updated if there were any further developments in HEFCE's Quality Assessment Review. The DVC highlighted to the Committee the importance of the institution's recent QAA HER, as this was a factor enabling BGU confidently to apply for TEF. There were a number of colleagues involved in looking at the new sets of metrics involved. Hence, Bishop Grosseteste University was poised to meet future challenges well.

DVC

13. **Any other business**

The Committee was invited to attend a Uniac Forum on 11 March, where Committee Members could be briefed on some of the emerging developments in the HE sector. It was NOTED that several Members would be attending the event; the Committee would welcome feedback from the Members at the next meeting.

Those attending the Uniac Forum

It was NOTED by the DoR that there had been an instance of potential fraud. This related to a former student who had declared they were resident in the United Kingdom on their application and had subsequently applied for and received a training bursary from NCTL; the case related to 2014/15. Recently received information suggested the residence information provided by the student to the University had potentially not been correct. Upon discovering what had happened, the DoR had promptly notified the Chair of the Audit Committee as per BGU's policies, and also NCTL to request advice; however, as yet no constructive response had been received from NCTL. The DoR assured the Committee that this was not part of a wider issue and that the incident had allowed the University to

review its processes and implement even more robust processes. It was AGREED by the Committee that the DoR had acted appropriately.

14.   To receive and consider suggestions for the next meeting

- Brief report on the Uniac Forum
- RECEIVE final reports on QAA/BPS/Ofsted/HEFCE Assurance Review and any related Action Plans
- RECEIVE the first draft of 16/17 audit programme

15.   To recommend key items for the University Council

- Audit Reports
- Cyber Security
- Internal Audit Tracker actions for date revision and closure

16.   Date of next meeting

The next meeting of the Audit Committee would take place on Tuesday 16 June 2016 at 2:00 pm in Room 102.

Signed .... Date ....16/6/16.............