

BISHOP GROSSETESTE UNIVERSITY

MINUTES OF THE MEETING OF THE
AUDIT COMMITTEE

TUESDAY 4 MARCH 2014
2:00 PM IN THE OLD SCHOOL HOUSE, ROOM 2

Present

The Very Rev'd Philip Buckler
Mr David Clements (Chair)
Rev'd Sally Myers
Mrs Bridget Starling

In attendance

Mr Stephen Deville, Director of Resources
Mr Jonathan Holmes, External Auditor (Baker Tilly)
Mr Joe Johnston, Internal Auditor (Uniac)
Mr Rob Jones (for Item 5)
Mr Steve Kirby, Head of Finance
Ms Haf Merrifield, Deputy Vice Chancellor
Rev'd Professor Peter Neil, Vice Chancellor
Mr Sean Ryan, Internal Auditor (Uniac)
Ms Emma Smeaton, Minuting Secretary
Ms Katie White, Clerk to the University Council

1. Declarations of interest.

There were no declarations of interest.

2. Apologies

There were no apologies for absence.

3. Minutes of the last meeting held on 5 November 2013

The minutes of the last meeting held on 5 November 2013 were APPROVED as a true record of the meeting and the Chair was authorised to sign them.

4. Matters arising

(i) Environmental issues

Action

Following two meetings between The Director of Resources and the Head of Estates and two separate contacts the previous term, the Director of Resources REPORTED the following:

- The contact introduced by Bridget Starling was well informed and also ran environmental consultancies. A proposal had arisen from the meeting which would be discussed further with the Head of Estates.
- The contact introduced by Sally Myers was a member of the University of Lincoln Carbon Production Team and a proposal may arise to work with students on a combined basis from this.
- Both scenarios would require resources but would be worthwhile.

SD

Members NOTED that there would be little progress made in the current academic year in terms of the University's position in the Green League table.

Future mtg.

5. Update on fundraising

The Director of Enterprise joined the meeting and provided a verbal update. It was REPORTED:

- Progress had been made since the last report to the Committee in November.
- The proposal for the framework of the major fundraiser donor programme emerging from the new University Strategy would be presented to SLT the following week.
- Two projects to increase engagement levels within the community were due to be submitted; one main project to accrue £200k over three years and one subsidiary project, adding £30-£40k over twelve months.
- The member of staff to be recruited to cover The Alumni Development Officer's maternity leave will also be required to support the Fundraising Manager.
- There were two pending fundraising events, an evening with Nell Gwyn and a Bollywood evening.

The Chair thanked the Director of Enterprise who then left the meeting.

6. Asset management report

The Committee RECEIVED a Review of the University Asset Register prepared by the Director of Resources.

It was REPORTED that an asset system review would be implemented for the 2014/15 financial year in order to remedy the observations arising from the report.

The Chair thanked the Director of Resources for the review and NOTED that the Committee would follow the progress of the proposed review.

7. External audit tender

Though this item is numbered 7 on the agenda, it was actually discussed after item 10 and the auditors left the meeting before it was discussed.

Members RECEIVED the scoring sheet previously devised by the Director of Resources prior to the tender presentations which took place earlier that morning. Three companies had been invited to tender:

- Baker Tilly
- Mazars
- Buzzacott

The University had prior links with all three companies having previously worked with all of them in one manner or another.

Members NOTED that all three companies were appointable so the discussion focussed on the potential value added and the number of days allocated by the companies. The Committee dismissed Buzzacott on the grounds of cost.

Following further discussion it was AGREED that Mazars would be invited to be the University's external auditors for three years with the preferred date of appointment the 14 March 2014 following endorsement by University Council on 13 March. The Director of Resources would contact all three companies. Baker Tilley (AKA Tenon) would be thanked for their commitment support and professionalism during the past Audit contract.

DoR

8. TRAC – Transparent approach to costing

Members RECEIVED the TRAC return submitted annually. It was NOTED that:

- Dispensations would need to be applied.
- Systems would need to be developed for better recording of costs as the University moves towards attracting further research funding etc. in order to provide accurate calculated costs.

9. Internal audit

(i) Internal audit plan 2013/14 update

The Committee RECEIVED and APPROVED the internal audit plan from UNIAC. The following was noted:

- Most of the paperwork had been completed with the exception of audits 1, 5 and 6 (Adherence to Regulatory and Quality Standards, Risk Management and Follow-up) which were in the planning phase.

- Overall progress was on target.

(ii) Reports

(a) Review of Estates: Planned and Reactive Maintenance

The report conducted by the internal auditors was RECEIVED.

The three observations were discussed:

- The completion of maintenance tasks is not monitored formally - slightly more formality for the programme of work in Estates was required though it was AGREED that a formal maintenance plan would not be required for SLT.
- The productivity of the in-house workforce is not monitored – a new electronic maintenance system would be implemented.
- Procuring routine maintenance – the Committee sought assurance that the observation in which two consecutively numbered orders for an inspection which when combined totalled above the order limit for the Head of Estates was not a common occurrence. It was AGREED that slightly more formal processes should be implemented within this area.

(b) Review of Budgeting and Budgetary Control, Resource Allocation and Planning

The report was RECEIVED.

The three observations were NOTED:

- Budgets are not developed from the bottom upwards or adjusted to the needs of individual hubs.
- Budget holder training and development is not sufficient.
- Shortcomings in using BluQube as a management information system.
- It was reported that the budget system had been developed in-house and built using a spreadsheet programme. Although the current system was generally reliable it was felt that this method may need to be reviewed in future.

It was AGREED that the culture of under spending was not a positive as the budgets allocated were a realistic estimate of the spending that should be taking place.

(c) It was REPORTED that a further report on Student Data was not yet

ready for presentation to the Committee. The report reflected a number of difficulties within the department though it was noted a vast majority of these were already known by the University. There were a few observations within the report which the University wished to challenge. Following the outcome of these discussions the report and action plan would be taken to the next Audit Committee meeting in June. It was NOTED that the University was aware of the difficulties, the work to be done and was continuing to make process.

Next mtg.

10. Risk Management

(i) Updates table of major risks

The headline summary of institutional level top risks was RECEIVED. The University's new risk register would be prepared alongside the Strategy implementation plan and business plans for 2014/15 for consideration by Council.

11. Agenda suggestions

- Internal audit report on Data;
- Update from the Director of Resources in terms of conversations with Mazars;
- Opportunity to meet the new auditors;
- Update on the Strategy.

12. Any other business

There was no other business to discuss.

13. Key items for University Council

- Audit reports;
- Outcome of the tendering process.

14. Date of next meeting

The next meeting of the Audit Committee would take place on Wednesday 18 June at 2pm.

Signed  Date 18/6/14 

