

BISHOP GROSSETESTE UNIVERSITY

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE

TUESDAY 4 MARCH 2025

2:00PM VIA MS TEAMS

**Present**

Alison Brown  
 Dr Stephen Critchley (Chair)  
 Walter Leschenko  
 Lisa Smith

**In attendance**

Leanne Chancellor, Head of the Vice-Chancellor’s Office (*Minutes*)  
 Carolyn Dean, Senior Planning Officer  
 Tom Dannatt, Deputy Vice-Chancellor (Operations) & University Secretary  
 Jonathan Lidster, Director of Corporate Information System (CIS), Strategy & Performance  
 Hugh Swainson (Buzzacott)  
 David Tomlinson (Uniac)

**Action**

**1. Welcome**

1.1 Dr Stephen Critchley, Chair, welcomed members to the third Audit Committee meeting of the 2024/25 academic year.

**2. Apologies**

2.1 Apologies were received in advance of the meeting from:

- Jaidip Sen;
- Peter Rought – *invited member*; and
- Kunal Mistry – *invited member*.

**3. Declarations of interest**

3.1 There were no new declarations of interest for the committee meeting.

**4. Minutes of the last meeting held on 11 November 2024**

4.1 The minutes of the Audit Committee meeting held on 11 November 2024 were APPROVED as a true and accurate record of the meeting and the Chair was authorised to sign them.

**5. Matters Arising**

5.1 Action Table

5.1.1 The action table was RECEIVED and progress against actions was NOTED.

<p>5.1.2 Walter Leschenko (WL) RAISED a concern regarding cyber insurance and whether the university's insurance policy was sufficient in terms of its oversight now that BGU had the Cyber Essentials Accreditation.</p> <ul style="list-style-type: none"> <li>• TD NOTED that the Head of Finance and the Chief Technology Officer were in discussions with the insurance brokers and should be able to provide an update at the next meeting.</li> </ul>	<p>DVC(Ops)</p>
<p>5.1.3 The Chair NOTED that at the last Audit Meeting in November 2024, it was discussed about deep diving into an area of risk. The Chair SUGGESTED the first of these deep dives to take place at the next meeting in June 2025.</p> <ul style="list-style-type: none"> <li>• The Chair NOTED that some potential topics to deep dive into could be partnerships, international provision, and IT infrastructure – but the Chair NOTED that he would leave this to Tom Dannatt (TD), Deputy Vice-Chancellor (Operations) and John Lidster (JL), Director of Corporate Information Systems, Strategy &amp; Performance (DoCISSP), to decide on the most topical area at the time.</li> <li>• JL SOUGHT clarification on the focus of the deep dives. <ul style="list-style-type: none"> <li>○ The Chair EXPLAINED that he would like the deep dive to help members to better understand the nature of the risk, the mitigating action plan, timescales and its effectiveness.</li> </ul> </li> </ul>	
<p>5.1.4 The Chair PROPOSED holding the next meeting on 12 June 2025, in person at BGU, and ASKED members to inform Leanne Chancellor (LC), Head of the Vice-Chancellor's Office, if they could attend.</p>	<p>Audit / HoVCO</p>
<p>5.2 <u>Any other matters</u></p>	
<p>5.2.1 No other matters were raised.</p>	
<p><b>6. Risk</b></p>	
<p>6.1 <u>Update on Risk Register</u></p>	
<p>6.1.1 Members RECEIVED and NOTED the Strategic Risk Register and Summary Report at the end of Q2 (end of January), which provided an update on the risk management process.</p>	
<p>6.1.2 The Senior Planning Officer, Carolyn Dean (CD), NOTED that the Institutional Risk Register comprised of 41 risks at the end of Q2, which is 10 new risks since the last quarter:</p> <ul style="list-style-type: none"> <li>• Four are rated as dark red (risk score of 25);</li> <li>• 15 are rated at red (risk score of 16 to 20);</li> <li>• Eight are rated as amber (12-15);</li> <li>• 12 are light green (6-10); and</li> <li>• Two are dark green (1-5).</li> </ul>	
<p>6.1.3 CD NOTED that at the end of Q2 there were four risks which sat outside of the stated risk tolerance levels and four risks with increased risk scores. These risks were:</p> <ul style="list-style-type: none"> <li>• <i>Risk 17</i> – Student experience at partner organisations and potential negative impact on BGU; and</li> <li>• <i>Risk 19</i> – Student outcomes, retention, at partner institutions.</li> </ul> <p>- <u>Q2 Update:</u> A governance structure was now in place and agreed, by the University Executive Group (UEG) and was shared with University Council on 18 December 2024. This has been included in the Codes of Practices for Quality Assurance Group. Dates have been scheduled in diaries for the first two</p>	

quarterly meetings. It was noted that a member of University Council formed membership on the Partnership Oversight Group.

- *Risk 21* – Resources with the partnership team and the wider BGU staff group; and
- *Risk 23* – Academic standards at the point of programme delivery and assessment in partner organisations.
  - *Q2 Update:*  
Currently recruiting to a G7 post to focus on academic standards and assessment and underpin the support to link tutors and programme teams within partners. The focus of the role will be to try and mitigate the risks posed within partners where academic standards are impacted. Additionally, there is the possibility of a separate role within faculty to support the partnership work within the Business team (enhanced link tutor role)
- *Risk 8* – Current partners not on track to achieve / exceed their stated targets.
  - *Q2 Update:*  
The Language Gallery (TLG) have recruited to target but the emerging risk appears to be their retention of students, which has been disappointing so far this academic year. This needs to be a key focus of work with TLG and a key focus of the new oversight group.
- *Risk 14* – Apprenticeship programmes not on track to achieve / exceed their stated.
  - *Q2 Update:*  
The Apprenticeship target was 100 for this year, BGU are likely to hit 50 by the January intake and 30 at the May intake – overall likely to be under recruited by the end of the financial year. It was NOTED that a new Head of Business Development was now in post to support increase in development activity.
- *Risk 32/33* – Lack of engagement and overall agreement to key delivery items within a university planning cycle and planning process.
  - *Q2 Update:*  
A project has been initiated to address where the barriers are in stakeholders needs, roles, responsibilities with specific focus on application/financial data.
- *Risk 12* – Failure to access and use business intelligence fully.
  - *Q2 Update:*  
The requirements of business insight data/reports by stakeholders continues to be a challenge to effectively scope out, resulting in modifications to key intelligence. Changes in systems over past three years means comparable Year on Year (YoY) data sets are not available. Leigh Rengger has been retained to help mitigate the issue associated with stakeholder accountability, responsibility and decision making, which will hopefully better inform the business requirements of stakeholders.

6.1.4 The Chair ACKNOWLEDGED that the Risk Register was pretty much up to date, but ASKED if anything significant had happened since the report was put together that needed to be brought to the committee's attention?

- CD NOTED that two further risks had been added to the register:
  - One was around international activity and the university's work with Oxford International; and
  - One was around Exam Board reporting out of the Student Record System (SRS), and the SRS not being up to standard.

### 6.1.5 Members RAISED the following comments and questions:

- SUGGESTED that the risks in the report might be better presented in a tabular fashion under each objective for red, amber and green, therefore, you can see them at a glance.
  - CD NOTED that she would try and put something different together for Q3.
- With regards to the risks relating to partnerships (8, 17, 19, and 23), does the university have the resources and capability to support any new agreements and manage them through the life cycle.
  - TD NOTED that when original proposals were put together for both ICON and TLG partners, BGU did not expect them to want to do more business with us – so actually the issue has been one of growing the team as the partnership work has increased. For example, additional administrative support and a new Business Lecturer was built in from the start.
  - TD NOTED that there were lots of conversations currently happening around partnership work in the sector, particularly by the Office for Students (OfS) and we just need to be mindful of these discussions when looking more strategically at longer term partnership growth.
- With regards to ‘Risk 14’ regarding apprenticeships, are any of the apprenticeship L7, as they will soon be disappearing. What will be the potential impact in terms of apprenticeship recruitment on that?
  - JL NOTED that the status of L7 has not yet been confirmed and was still going through proposal. Therefore, the Apprenticeship Team are obviously analysing this to see what the overall kind of impact would be.
  - Lisa Smith (LS) NOTED that the disappearance of L7 apprenticeship will be happening, it was just a matter of when. It would be a shame for the university to be investing a lot of time and effort in trying to recruit onto L7 when the future of these were in doubt.
  - TD NOTED that UEG had requested a deep dive into apprenticeships at their meeting on 18 March 2025.
- Concerns were raised about ‘Risk 22’ regarding the support for Windows 10, which was understood would cease in October 2025. It was NOTED that as a mitigation, an extension has been sought for beyond October 2025, but has Windows 10 got the same sort of protections as Windows 11, or will BGU become vulnerable to malware and viruses until all staff members are on Windows 11?
  - JL NOTED that in terms of the technical question around whether it increases our level of cyber security issues, he would ask Greg Stonehouse, Chief Technology Officer to provide some clarity for members.
  - JL NOTED that in terms of the actual support element, the product itself continues in existence – for clarity, it is just the level of support which Microsoft provide us which is been removed.

DoCISSP /  
CTO

## 6.2 Update on Internal Audit Tracker

6.2.1 Members RECEIVED and NOTED the updated Internal Audit Tracker since the last meeting.

6.2.2 CD HIGHLIGHTED the following:

- There were currently 10 open actions – all due for completion between the end of February 2025 and the end of July 2025.
  - Four are aligned to the cyber security audit (2024/3 to 2024/6).
  - Two are aligned to the financial sustainability and resilience audit (2024/26 and 2024/29).
  - Four are aligned to the safeguarding audit (2024/16) and (2024/20 to 2024/22).

- In this quarter, 13 actions have been closed.
  - Two are aligned to the agile compliance audit (2024/13 and 2024/15).
  - Three are related to the cyber security audit (2024/1, 2024/2, 2024/7).
  - Two are related to the financial sustainability and resilience audit (2024/27 and 2024/28).
  - One is aligned to the health and safety audit (2024/11).
  - Five are related to the safeguarding audit (2024/17, 2024/18 and 2024/23 to 2024/25).
- Four of the actions have been extended with all due dates now planned for 31/07/25 or before.
  - One is aligned to the student wellbeing audit (2022/1).
  - One is aligned to the BG Lincoln Ltd audit (2023/1).
  - One is related to the agile compliance audit (2024/1).
  - One is related to the safeguarding audit (2024/9).
- The 'days overdue' calculation in column J has also been slightly amended, this now shows the difference between today's date and the current due date in column H. The aim is that this figure should always be a minus figure. Any positive number means that the action is overdue based on the current due date and the cells will turn red accordingly.

6.2.3 The Chair NOTED that where extensions are required, they should be presented to this committee to be formally endorsed with a new deadline. However, members were CONTENT to extend these actions to the end of the academic year.

## 7. To Note and Consider the Internal Audit Reports

### 7.1 Internal Audit Progress Report 2024/25

7.1.1 Members RECEIVED and NOTED Uniac's Internal Audit Progress Report 2024/25, which provided an overview of progress made since the November 2024 Audit meeting, along with the current audit days positions and forecast for the remainder of 2024/25.

7.1.2 David Tomlinson (DT), Uniac, HIGHLIGHTED the following from the Internal Audit Progress Report:

- Two audits have been completed for the 2024/25 programme:
  - Financial Sustainability and Resilience (the draft report was presented to Audit in November).
  - Risk Management.
- The following progress on 2024/25 audits has been made:
  - Terms of Reference have been agreed for Key Financial Controls – Payroll and Agile Compliance 2: Post Audit Review.
  - Further discussions have been held for Management of Strategic Plan Transition. Progress on this audit has been paused pending the arrival of the new Vice-Chancellor in April 2025.
  - At Management's request and following approval from the Chair of Audit Committee, Workload Allocation Model to be included in the programme as an additional audit for 2024/25. A Planning meeting is scheduled for 27 February 2025.
- Two briefing notes have been prepared, covering Risk Register Analysis 2024 and EU Risk Environment 2024.

## 7.2 To Receive Internal Audit Reports

7.2.1 Members RECEIVED and NOTED the following Uniac Internal Audit Reports:

- Financial Sustainability & Resilience; and
- Risk Management.

### 7.2.2 Financial Sustainability and Resilience

7.2.2i DT NOTED that the final draft report had been presented to members at the November's meeting, with one finding still outstanding on the resolution of the agreed management action around forecasting balance sheets. It was NOTED that this has since been resolved.

- TD NOTED that following the FE&GP Committee in February 2025, the Chair agreed that it was appropriate that we do some balance sheet forecasting throughout the year and most importantly, this is completed during the budget setting process.

7.2.2ii Uniac concluded that an overall risk assurance of 'reasonable', and that the processes and controls in relation to the governance of financial sustainability are operating effectively.

7.2.2iii DT NOTED that this audit assessed the University's approach to financial planning and monitoring of financial health including; budget management and monitoring, scenario planning and stress testing, cashflow, liquidity and financial forecasting, robustness and realism of income forecasting and value for money considerations.

7.2.2iv DT HIGHLIGHTED one high risk and one medium risk finding:

- Robustness of financial planning assumptions (*high*); and
- Lack of balance sheet forecasting (*medium*).

7.2.2v DT NOTED that they also raised one low and one advisory finding relating to ongoing capacity at executive level and the University's decision to reduce their capitalisation threshold.

### 7.2.3 Risk Management

7.2.3i DT NOTED that Uniac concluded that Risk Management at BGU is generally effective and is within the norm for small specialist institutions. He NOTED that BGU's approach to Risk Management has evolved over the last few years, in a number of ways:

- Firstly, a new Risk Management Framework has been launched;
- Secondly, the Institutional Risk Register has been improved and expanded and is reviewed regularly in senior management meetings; and
- Thirdly, risk appetite and tolerance have been better defined and are being more explicitly considered by risk owners.

7.2.3ii DT NOTED that the objective of Uniac's review was to assess the effectiveness of the new arrangements and, where appropriate, suggest incremental improvements and developments. It was NOTED that Uniac were raising no high or medium-risk findings.

7.2.3iii DT HIGHLIGHTED two low-risk findings:

- Focus of Institutional Risk Register – the Institutional Risk Register would benefit from being more concise, to make it easier for the reader to identify the most pressing risks. The introduction of local (operational) risk registers could help with that, and with embedding Risk Management at multiple levels in the University.
- Root Cause Discipline – mitigation efforts might be strengthened by clearer descriptions of the root causes, and consequences, of risks.

- 7.2.3iv DT NOTED that four advisory findings were raised, contributing to the ongoing development of Risk Management at the University, clarity of mitigations, real-time register updates, risk tolerance/appetite, and choice of Risk Management platforms.
- 7.2.3v Members NOTED and ACKNOWLEDGED the following areas of good practice and THANKED the team:
- Senior Leadership commitment – Senior Leadership, both Executive and Non-Executive, have expressed their commitment to the new Risk Management framework.
  - Risk appetite and tolerance – these are now being considered in a more granular, and explicit, way by University leadership.
  - Training – in January 2025, the University delivered training to risk owners on the updated Risk Management framework, including guidance on adding/updating risks in the Institutional Risk Register. Four workshops took place, attended by a total of 24 people.
- 7.2.3vi The Chair NOTED that he was very encouraged with the training that had taken place.

### 7.3 To Receive Internal Audit HE Briefing Notes

- 7.3.1 Members RECEIVED and NOTED the following internal audit briefing notes:
- A European View on the Risk environment; and
  - 2024 Risk Register Analysis.

## 8. Update to Uniac Audit Schedule for 2025 (to note additional audit)

- 8.1 TD INFORMED members that in agreement with the Chair, an additional audit had been proposed on BGU's Workload Allocation Model (WAM).
- 8.2 TD and JL NOTED that this audit would review the WAM in regard to:
- Understanding the true cost of curriculum delivery and improve efficiency.
  - Whether it is a true representation of our portfolio and our delivery mechanisms.
  - How it compares with other institutions.
  - How work allocation/resource allocation models are utilised.
- 8.3 TD NOTED that conversations would need to talk place with the Executive Dean of Faculty once this audit has been scoped out, to make sure that we are looking at the right areas.
- 8.4 TD NOTED that this audit may be additional days above the schedule agreed at the beginning of the year, or it could replace the Strategy Review if we do not manage to complete this before the end of July 2025 and roll this over to 2025/26.
- 8.5 The Chair NOTED that there had been a lot of university discussions around the workload allocation model over the years, and as a member of University Council, it would be good audit to have and will be valuable – but it would be something where he would want the incoming Vice-Chancellor to be happy with this piece of work going ahead.
- 8.6 The Chair and members NOTED that they were content for the audit to go ahead if the new Vice-Chancellor endorsed the work.

## 9. **Any other business**

- 9.1 There was no further business to discuss.

**10. Key items for University Council**

10.1 The following key items to HIGHLIGHT to University Council at its next meeting on 1 April 2025 from this agenda are:

- To note the additional Audit on the WAM; and
- To share the end of Q2 Risk Register Overview Report.

**11. Date of Next meeting**

11.1 The next meeting of the Audit Committee will take place on Thursday 12 June 2025 from 2:00pm-4:00pm in person.

Signed ..... *A.R. Crichtley* ..... Date ..... *12 June 2025* .....