

## Audit and Quality Committee

DATE / TIME / VENUE	1000, Thursday 10 November 2022, Room 0.32, St Andrew's Court
PRESENT	Frances Morris-Jones, External Governor (Chair) Bahram Bekhradnia, External Governor (by videoconference) Liz Jolly, External Governor Professor Sandy Pepper, External Governor
IN ATTENDANCE	Dr Liz Bartle, Deputy Director of Finance (Financial Services) (Mins 17 to 20) Rees Batley, External Auditor, KPMG LLP Dr Sonia Brandon, Staff Representative Rebecca Di Pancrazio, Deputy Director of Student and Academic Administration (DSAA) and Head of Academic Standards, Quality and Partnerships (Min 24) Claire Dunning, University Solicitor (Min 24) Amy Dymond-Hobbs, Quality Manager for Apprenticeships and Work Based Learning (Min 24) Duncan Laird, External Auditor, KPMG LLP Lorna Raynes, Internal Auditor, RSM LLP Aleksandra Siedlecka, Student Governor Brent Schwartz, Health and Safety Manager (Min 30) Louise Tweedie, Internal Auditor, RSM LLP Emma Woollard, Executive Director of Finance (up to and including Min 27.1)
SECRETARIAT	Adrian Parry, Executive Director of Corporate Governance Annette Mills, Head of Governance Services

### Private Sessions

- The External Governors, the staff representative, the student governor and the external and internal auditors held a private session before the start of the main meeting at 0945 hours.
- The External Governors, the Executive, the staff representative, the student governor and the secretariat held a private session after the main meeting at 1300 hours.

### 17 Welcome, Quoracy and Apologies

- 17.1 The Chair welcomed Professor Sandy Pepper, external governor, to his first meeting of the Committee. Committee also welcomed Liz Bartle, Deputy Director of Finance (Financial Services), who would assist Committee in the discussion of the financial statements.
- 17.2 Apologies were received from: Professor Graham Galbraith, Vice-Chancellor and Louise Tweedie, Internal Auditor, RSM LLP.
- 17.3 The Executive Director of Corporate Governance confirmed that the meeting was quorate and could proceed to business.

## 18 Minutes

The minutes of the meeting held on 28 September 2022 were confirmed as a correct record.

## 19 Matters Actioned Since the Last Meeting or Under Continuing Consideration and Matters Arising

### Matters Actioned

19.1 Action was reported on one item that was covered later in the agenda.

### Matters Arising

19.2 There were no other matters arising from the minutes.

## 20 University Financial Statements for the Year Ended 31 July 2022 - confidential

## 21 Internal Audit

### Internal Audit Annual Report 2021/22

21.1 On behalf of the internal auditors RSM LLP, Lorna Raynes presented a report which provided a summary of the work undertaken by the internal auditors during the 2021/22 session.

- (i) The auditors' overall opinion was that, for the year 2021/2022, the University had operated with an adequate and effective framework for risk management, governance, internal control and economy, and efficiency and effectiveness. However, within this overall opinion, the auditors had identified scope for further improvements to the framework of risk management, governance, internal control and economy, and efficiency and effectiveness to ensure that the framework remained adequate and effective.
- (ii) The Committee noted that there were still two internal audit reports to be finalised. The reports would be circulated to the Committee when available.  
**Action: Head of Governance Services**
- (iii) Following discussion, the Committee concluded that it was satisfied that the overall opinion was a fair conclusion. The internal auditors' overall opinion was accepted by the Committee and management.

### Updated Internal Audit Plan 2022/23

- 21.2 The Committee received an updated Internal Audit Plan for 2022/23. In discussion the following key points were noted:
- (i) Some of the audits deferred from the 2021/22 internal audit plan would be completed as part of the 2022/23 internal audit plan. This included audits of Controls for DBS checks; for “Report and Support” as part of the Mental Health and Wellbeing Audit that had already been included within the plan for 2022/23; and Cyber Security in place of US Federal Loans and Estates Management Processes, which had been removed from the 2022/23 plan as agreed at the 28 September 2022 Committee meeting.
  - (ii) It was noted that the Controls for DBS Checks audit had been deferred from 2021/22. It would be important to ensure that the audit addressed both staff and student DBS processes and any consequent changes to process that might be required.
  - (iii) In response to a question about the scope and number of days allocated to the VAT Review audit it was advised it was a complex area which required specialist auditors.
  - (iv) In response to a question about to what extent data analytics was being used to identify issues with the student experience, it was noted that there was an ongoing project that was exploring the use of data analytics for improving the student experience, which was being led by the Dean of Digital and Distributed Learning.
  - (v) The Committee agreed the updated Internal Audit Plan for 2022/23.

#### Progress Update Report 2022/2023

- 21.3 The Committee received an Internal Audit Progress Report for 2022/2023. In discussion, the following key points were noted:
- (i) The majority of the planned audits had start dates agreed.
  - (ii) The changes to the audit plan for 2022/2023 that had been previously agreed and those discussed at this meeting (min 21.2 refers) were noted.

21.4 The Committee noted the update.

#### Business Continuity Processes

- 21.5 The Committee received and noted the advisory report on Business Continuity Processes. The Committee urged the University to finalise and approve the Policy promptly in order to allow for Business Continuity Plans to be put in place.

#### Framework for Engagement with and use of Academic Workload Planning

- 21.6 The Committee received the advisory report, Framework for Engagement with and use of Academic Workload Planning. In discussion, the following key points were noted:
- (i) The Committee discussed whether a better tool might be available given the apparent lack of engagement by academic staff in using the workload planning tool.
  - (ii) It was noted that the Senior Deputy Vice-Chancellor was leading a working group to reviewing the current workload planning tool. Once the review had been completed, the Committee would welcome the opportunity to receive an update on the implementation of workload planning.

#### Recommendation Follow-Up Report

- 21.7 The Committee received an overview report on the follow-up progress made by the University to implement previously agreed management actions in response to audit recommendations. The following points were noted in discussion:
- (i) There were 279 actions overall of which 265 actions had been implemented.
  - (ii) There were 13 actions in progress and there was one action in relation to Internal Communications Processes which had not yet reached its target date and upon which, consequently, no response had been received. The Committee noted that that the oldest of the 14 uncompleted actions was from 2018/19.
- 21.8 The Committee noted the update.

## **22 Draft Annual Report of Audit and Quality Committee**

- 22.1 The Committee received the draft annual report of the Audit and Quality Committee from Adrian Parry, Executive Director of Corporate Governance. The University was required to submit an annual report on the work of Audit and Quality Committee to the OfS.
- 22.2 Committee considered the draft report, which would be updated with relevant points following discussion at this meeting and the inclusion of minute references as appropriate.
- 22.3 In discussion it was agreed that the following amendments would be made to the report:
- (i) Paragraph 19 (i) Research Ethics Arrangements: to update the wording to reflect that all management actions had now been resolved.
  - (ii) Paragraph 31 Risk Management Policy: to update wording to reflect the Committee's recommendation that progress with addressing the points raised in discussion of the implementation of the Risk Management Policy were

closely monitored, particularly regarding the reporting and escalation of residual risk that fell outside the University's defined risk appetite.

- 22.4 The Committee confirmed that it was content to give the assurances that it was required to provide to the governing body. In particular, on the basis of the activities outlined in the report, that the University had adequate and effective controls for risk management, control and governance; economy, efficiency, effectiveness and value for money; and management and quality assurance of data. The Committee also confirmed that the University had adequate and effective controls for disclosure and transparency and fostered a climate of uncompromising moral and ethical behaviour.
- 22.5 Committee agreed to recommend that the report should be submitted to the Board of Governors meeting to be held on 23 November 2022.

**Action: Executive Director of Corporate Governance**

## 23 Annual Report on the Prevent Duty

Committee received from Adrian Parry, Executive Director of Corporate Governance a report on the University's delivery of the Prevent duty during 2021/22. In discussion the following key points were noted:

- 23.1 It was a statutory requirement that all universities demonstrated due regard for the Prevent duty. Governing bodies were required to provide the OfS with a declaration each year confirming their assurance that this responsibility had been met.
- 23.2 The annual Prevent report was produced to provide the Board of Governors with the evidence necessary for it to provide the assurances required by the OfS in the annual accountability declaration and data return.
- 23.3 In discussion about the impact of the External Speakers Policy, the Committee noted that the External Speakers Policy provided the opportunity to put in place mitigation, if required, for external speakers and that the Student Union's process mirrored the University's process for external speakers.
- 23.4 There was discussion about the forthcoming Higher Education Freedom of Speech Bill. It was recognised there were numerous pieces of legislation that had an effect on the promotion of freedom of speech. The Committee noted that this forthcoming new legislation would be a complex area for the University to navigate.
- 23.5 The Committee noted the new Protect Duty which, if implemented as intended, would require owners and operators of Publicly Accessible Locations to take appropriate and proportionate measures to protect the public from terrorist attack. Universities provided publicly accessible locations and it was expected that the new requirement would apply to higher education institutions.
- 23.6 The Committee noted and endorsed the University's approach of aligning its Prevent duty with its safeguarding duty and with ensuring the wellbeing of students, and

remarked favourably on the close involvement of the Students' Union in the implementation of the Prevent duty.

- 23.7 The OfS required the University to provide a statistical return of the number of Prevent cases reviewed and the Prevent-related training provided to staff during 2021/2022.
- 23.8 The Committee agreed that the report demonstrated that the University had given due consideration to the Prevent duty over the last academic year, whilst balancing this duty with other legal duties to protect freedom of speech and academic freedom.
- 23.9 The Committee agreed that the Prevent duty report should be submitted to the Board of Governors meeting to be held on 23 November 2022 and that it provided the necessary assurance that the University had due regard for the Prevent duty.

## 24 Assurance Quality Assurance

### Academic Quality Assurance

- 24.1 The Committee received the Academic Quality Assurance Report from Rebecca Di Pancrazio, Deputy Director of Student and Academic Administration (DSAA) and Head of Academic Standards, Quality and Partnerships. In discussion, the following points were noted:
- (i) The report provided an overview of the academic quality processes and how the processes were managed. The report did not provide information on student outcomes.
  - (ii) The University was continuing to drive forward a number of significant initiatives and projects which aimed to improve the student academic experience and student outcomes.
  - (iii) A strategic and operational review of the University's course approval policy and practices had been launched in Spring 2022. The purpose of the review was to identify enhancements to the course approval process to ensure its fitness for purpose in meeting the University's strategic ambitions, whilst taking account of the Portfolio Review, and consultations by the OfS on its approaches to regulating student outcomes (B3) and the Teaching Excellence Framework.
  - (iv) There had been a major review of academic policies during the academic year, including the Student Code of Behaviour which had been replaced by the Student Conduct Policy. The new policy placed a strong focus on early intervention and restorative conflict resolution, with a more supportive and less punitive approach, with sign posting to all student support services.
  - (v) The Major Review of Regulations project was currently reviewing the Extenuating Circumstances Policy, with a new policy to be introduced from September 2023.

- (vi) In response to a question about the relatively low number of 48 student disciplinary cases, it was noted that under the old methodology only the more significant offences would reach the higher reporting level. Most offences were tracked and managed at the Faculty level. However, going forward, the data at the Faculty level would now be tracked from the start of the disciplinary process.
- (vii) In response to a question about several disciplinary offences by the same individual occurring in one teaching period, it was noted that the offences would be looked at as a whole rather than individually.
- (viii) The Committee noted the use of 'charrettes'. This was a mechanism which enabled staff and students to work together to develop projects and initiatives to address the awarding gap in their curricula or classrooms. The Committee welcomed and encouraged this approach.
- (ix) The Committee agreed that the report provided assurance that the University had appropriate and robust quality assurance processes and that it had maintained academic standards and enhanced the quality of the student experience during 2021/2022.

Apprenticeship Summary Update - confidential

## 25 Modern Slavery Act 2015 Review of Statement

The Committee received an updated Modern Slavery and Human Trafficking Statement that had been prepared by Claire Dunning, University Solicitor and Claire Crothers, Procurement Manager. Key points noted during discussion were:

- 25.1 The Committee noted that the Modern Slavery Act 2015 required organisations (and their subsidiaries) with a turnover of more than £36m to produce and publish an annual slavery and human trafficking statement or a declaration that they had no statement to publish. The statement should be published within six months of the financial year end.
- 25.2 This annual statement provided an update on the actions proposed in the University's previous annual statement and set out the further steps that the University planned over the next twelve months.
- 25.3 The Committee considered the updated statement and progress on activities during the past year, including the use of the database tool for supplier due diligence (Net Positive Futures) and the ongoing consideration of synergies between the University's own research in the field of modern slavery and its procurement activities.
- 25.4 The Committee commended the progress to date and proposed the addition of a further future action to describe the impact of analytical tools and research on decisions taken.

25.5 The Committee noted that pensions spend would be removed from the Overview of the University's Spend Categories chart in the final version of the statement.

25.6 The Committee agreed to recommend the statement, subject to the change to the chart, to the Board for approval at its meeting of 23 November 2022.

**[Post meeting note:** The Annual Slavery and Human Trafficking Statement was agreed by the Board of Governors at its meeting on 23 November 2022, Min 34(iii) refers.]

## 26 Non-Audit Services Provided by External and Internal Auditors

26.1 The Committee noted the annual report on audit fees paid to, and additional services purchased from, the external and internal auditors in 2021/2022. Committee confirmed that the additional payments were at an appropriate level and presented no risk of compromising the auditors' independence.

26.2 The Committee noted planned non-core audit services to be provided by the internal and external auditors during the period 1 September 2022 to 31 October 2022. Committee confirmed that these were appropriate and would not compromise the auditors' independence.

26.3 The Committee noted the statement of independence for the external auditors had been included within the management letter (Min 20.5 (ix)) and for the internal auditors had been included in their annual report (Min 21.1).

## 27 Risk Management

### Corporate Risk Register

27.1 The Committee received the updated Corporate Risk Register from Adrian Parry, Executive Director of Corporate Governance. Key points noted during discussion were:

- (i) The new corporate risk register was being developed in line with the Risk Management Policy. The four strategic delivery plans were being developed and these would each set risk appetites for the University's core activities.
- (ii) The risk registers for the Faculties and Professional Services would be established as part of the 2022/2023 planning round and would be available from March 2023. In the interim, strategic risk owners had been asked to rationalise and refresh the current risk register which had led to some risks being reframed and the scoring being reviewed.
- (iii) The presentation of the risk register had been changed to an excel spreadsheet format. Use of a spreadsheet configuration would facilitate the ability to "drill down" holistically on particular risks across the University. It would also provide access to any faculty or professional service risk register



within the University.

- (iv) The Committee noted that the risk register was a work in progress but that progress had been made and that it would evolve as action plans were further developed to deliver the University Strategy. It was expected that by the end of the academic year, the University would have moved further towards being a more risk-aware organisation, with both top-down and bottom-up identification of risk.
- (v) The Committee noted that, as discussed previously, those risks with a high impact but potentially low likelihood had been appropriately highlighted within the risk register with an impact score of 5. It was also noted that going forward a log of changes would be maintained to include the underpinning reasons for changes to risk scores.
- (vi) It was observed that risk themes were emerging more clearly within the risk register: for example, the tension between widening access and graduate outcomes; the reputational and operational challenges associated with large cohorts of international students; and the early-stage alumni fundraising. It was noted that the new style of register highlighted where these issues could act against each other.
- (vii) There was discussion about the use of the word 'tolerate' in the risk response rather than 'mitigate'. This should be amended in future iterations.
- (viii) Some research and innovation and alumni fundraising risks were currently categorised as "green". Consideration should be given to whether these risks needed to feature in future iterations of the risk register if there was no change in their status.
- (ix) The Committee noted that discussions were taking place with the Head of Strategic Programmes to identify and rollout training to ensure consistency of approaches to risk management and the production of risk registers by faculties and professional services.
- (x) In discussion, it was noted that the lack of funding for research and innovation described was a risk rather than an actuality. It was noted that the University was exploring mechanisms and approaches to diversify its future income streams for research and innovation.
- (xi) The next full reiteration of the risk register would reflect the creation of faculty and professional service risk registers and would report risks that fell outside the tolerances that would be informed by the University's risk appetite for core activities.

27.2 The Committee agreed that the Corporate Risk Register should be submitted to Board of Governors meeting to be held on 23 November 2022.

#### Corporate Risk Assurance Map

- 27.3 The Committee received the revised Corporate Risk Assurance Map from Adrian Parry, Executive Director of Corporate Governance. The Committee noted that the Corporate Risk Assurance Map had been revised to reflect pending audit activity. Following discussion, it was agreed that the assurances provided should continue to be included on a rolling five-year basis.

## 28 Health and Safety

### Health and Safety Quarterly Report

- 28.1 The Committee received and noted the quarterly report summarising the actions that had been taken during the period 1 May 2022 to 31 July 2022.

### Health and Safety Annual Report 2021/2022

- 28.2 The Committee received the Health and Safety Annual Report 2021/2022 from Brent Schwarz, Health and Safety Manager. The following points were noted in discussion:
- (i) The Committee noted the importance of conducting building safety audits in the post-Grenfell Tower environment, particularly in respect of student accommodation, and the need to ensure timeliness in fire safety reporting. In response to a question about the Committee receiving fire safety reports, it was noted that a recent change in personnel would help to facilitate more regular and timely reporting.
  - (ii) There was discussion about the accountability for managing, reducing and reporting student suicide risks. The Committee noted that currently responsibility for aspects of wellbeing and safeguarding was spread across the University, with no single point of accountability. However, it was intended that these activities would be consolidated within the remit of a new Student Services directorate, which would be established by the end of the academic year.
  - (iii) The incident reports were also noted by the Committee.
  - (iv) The Annual Report of Health and Safety 2021/2022 would be presented to the 31 January 2023 Board meeting.

### Health and Safety Committee:

- 28.3 The Committee noted that the draft Health and Safety Minutes of 31 October 2022 would be circulated to the Committee when they were available.

**[Post meeting note:** The draft Health and Safety Minutes of 31 October 2022 were circulated to the Committee on 6 December 2022.

## **29 Committee Effectiveness Review**

The Committee noted that the methodology for the effectiveness review of the Committee would be agreed at the 22 February 2023 Audit and Quality Committee meeting. The review would take place after the 22 February 2023 meeting to allow time for new members to form a view on the work of the Committee, and the outcomes would be reported at the 18 May 2023 Committee meeting.

## **30 Annual Report on Student Complaints**

The Committee noted the annual report on student complaints received during the academic year 2021/2022 prepared by Samantha Hill, Information Disclosure and Complaints Manager.

## **31 OfS Publications**

Committee noted the full list of OfS publications could be found at:  
<https://www.officeforstudents.org.uk/publications/>.

## **32 Date of Next Meeting**

The next meeting would be held on Wednesday 22 February 2023 from 1030.

## **33 Extension of the Internal Auditors - confidential**