

Audit and Risk Committee

DATE / TIME / VENUE	1000, Tuesday 23 September 2025, Room 0.32, St Andrews Court
PRESENT	Madeline Denmead (Chair) Bahram Bekhradnia, External Governor
IN ATTENDANCE	Professor Graham Galbraith Mary White, Chief Financial Officer Justin Fanstone, External Governor (Minute 9 only) Harry Mears, External Auditor, KPMG LLP Nishita Sharma, KPMG LLP Morag Childs, Deloitte LLP Rayna Chacko, Deloitte LLP Verity Knight, Lead Elected Officer Anita Randell, Head of Risk and Resilience
SECRETARIAT	Paul Mould, Executive Director of Corporate Governance Jacqui Bryden, Senior Governance Officer

Private Sessions

- The external governors, the staff representative, and the auditors held a private session before the start of the main meeting at 09:45.
- The external governors, the Executive and the secretariat held a private session after the main meeting at 12:15.

1 Welcome, Quoracy and Apologies

- 1.1 The Chair welcomed members to the meeting. Madeline Denmead as the new Chair, Helen Astle, External Governor, Claire Middleton, Professional Services Governor, Verity Knight, Lead Elected Officer, UPSU, attended their first meeting. The new internal auditors from Deloitte LLP, Rayna Chacko and Morag Childs attended their first meeting.
- 1.2 Apologies were received from: Alan Lees, External Governor, Claire Middleton, Professional Services Governor, Helen Astle, External Governor, Hannah Preece, Deloitte LLP.
- 1.3 The Executive Director of Corporate Governance confirmed that the meeting was quorate and could proceed to business.
- 1.4 There were no conflicts of interest declared.

2 Minutes of the Previous Meeting

The minutes of the meeting held on 22 May 2025 were confirmed as an accurate record subject to the amendment of minor typing errors.

3 Action Log and Matters Arising

Action was reported on eight items: three items were closed; two items scheduled for a later date and one item to be received on the agenda.

Two items were agreed by Chair's Action outside of the meeting due to their urgency.

Any other matters (AOB) would be added to future meeting agendas.

[Post -meeting note: Members would be asked to provide items for AOB one working day in advance of the meeting to facilitate preparation.]

4 Unanimous Consent Agenda

Three items would be discussed on the unanimous consent agenda (UCA). Members would be asked to confirm any questions for the UCA one working day in advance of the meeting to facilitate preparation.

5 Annual Review of the Committee Terms of Reference

- 5.1 The Committee noted a report that mapped the Terms of Reference (ToR) of the Committee against the business it had conducted during the 2024/2025 academic year. It was noted that:
 - (i) Section 2(d) about the review of the Financial Regulations should be amended for the ToR in 2025/2026 because the remit of the Committee was to oversee the underlying policies and principles and not the Financial Regulations, which is the remit of the Financial and Infrastructure Committee. The policies would undergo review to ensure compliance with the Economic Crime and Corporate Transparency Act 2023 (ECCTA).

- (ii) Section 2(m) about the Whistleblowing Policy referred to the policy review and should include a report to provide assurance of compliance. A report would be provided and noted on the indicative Committee business. The Policy was on the agenda and would be subject to review to ensure compliance with ECCTA.

5.2 Following discussion, the Committee agreed that it had effectively discharged its Terms of Reference.

5.3 The Committee discussed the draft Terms of Reference for 2025/2026. Key points noted were:

- (i) A request for a fifth Committee member would be submitted to the Nominations Committee.
- (ii) Remove item (g) from the Under Delegated Authority section.
- (iii) The following section from the CUC Audit Code of Practice model ToR would be inserted at item (e) under Audit and Risk Responsibilities:
Discuss with the external auditor's problems and reservations arising from the interim and final audits, including a review of the management letter, incorporating management responses, and any other matters the external auditors may wish to discuss (in the absence of management where necessary).
- (iv) Remove the Research Misconduct Procedure from item (m) because it was not a policy for Board or Committee approval but operational.

Action: Senior Governance Officer

5.4 Following discussion, the Committee agreed the Terms of Reference subject to the changes discussed and would be noted by the Board.

5.5 The Committee discussed the indicative business of Audit and Risk Committee for the 2025/2026 session, which was an aide memoire and would be updated as necessary. The following was agreed in discussion:

- (i) Remove the Research Misconduct Procedure.
- (ii) Add an annual report on policy compliance to provide assurance.

6 Internal Audit

Internal Auditor Transition and Progress Against Plan 2024/2025

6.1 The Committee received a report from Paul Mould, Executive Director of Corporate Governance about the transition of internal audit provider from RSM to Deloitte. The key points noted were:

- (i) The strong engagement with Deloitte had been very helpful to ensure a smooth transition and the mobilisation period was complete.
- (ii) RSM had provided a progress report and three final audit reports remained outstanding. Of these reports, one was reasonable assurance and two were partial

assurance and would be discussed at UEB prior to presentation to the Committee.

- (iii) RSM would provide the final audit reports and their annual opinion at the next Committee meeting in November.

6.2 In discussion it was noted that:

- (i) Work was being undertaken to follow-up the outstanding managing actions although it had been challenging to confirm the follow-up actions with RSM. Open actions would be discussed with UEB and the Committee in November.
- (ii) The agreed outstanding follow-up actions would be imported into the Deloitte tracker (Diamond) and Deloitte would provide regular reports to UEB and attend some UEB meetings to discuss the progress of audit actions.
- (iii) A meeting would be arranged with RSM to address final transition arrangements and identify the current direction of travel.

6.3 Following discussion, the Committee noted the updates.

Audit Report: Reset Programme – Delivery Arrangements – confidential

6.4 The Committee noted that the overall conclusion of the audit was substantial assurance. In discussion, it was noted there were two medium priority actions and one low priority action.

6.5 Following discussion, the Committee noted the report.

Internal Audit Plan 2025/2026

6.6 The Committee received a report from the new Internal Auditors, Deloitte LLP, about the new internal audit charter and strategy and the proposed internal audit plan for 2025/2026 and. The key points were noted:

- (i) The internal audit charter is a requirement of the Chartered Institute of Internal Auditors (CIIA) Standards and sets out the purpose, authority and responsibility of the Internal Audit activity for the University.
- (ii) The internal audit strategy had been provided because it was a new requirement of the CIIA Standards and sets out how Deloitte would work with the University and its role in supporting the work of the University. The three elements of support are:
 - a. In evolving, embedding and maturing risk management
 - b. Strengthen second line assurance functions
 - c. Manage risks and realise opportunities arising from change projects and programmes
- (iii) The proposed internal audit plan provided information about the approach to six planned audits for 2025/2026; two are strategic audits and four are cyclical audits. The audits had been determined following a joint assessment of the corporate risk register. The proposed plan also identified the areas of limited audit coverage for the year and potential future audits over the next three years which had not been

prioritised for 2025/2026 for various reasons. The audit plan had been scheduled to commence forthwith following approval.

6.7 In discussion, the Committee agreed that the final documents be uploaded to an internal audit section of the intranet for full visibility to managers and action holders.

6.8 Following discussion, the Committee:

- (i) Approved the internal audit charter
- (ii) Approved the internal audit strategy
- (iii) Approved the internal audit plan for 2025/2026

7 Annual Report on Financial Irregularities and Fraud - confidential

8 Procedure for the Investigation of Allegations of Research Misconduct

8.1 The Committee noted that this was a procedure and not a policy and should be approved by UEB as an operational procedure. Dr Simon Kolstoe was not required to present the updates to the procedure.

8.2 In discussion it was noted that the papers had been presented to the Committee because it had not been updated since 2013.

8.3 A review would be undertaken into University policies and procedures to ensure that they were separated into policy statements and operating procedures so they could be approved at the appropriate level.

8.4 Following discussion, the Committee noted the updated procedure.

9 Risk Management Update

9.1 The Committee received an update on the work undertaken on risk management activities from Paul Mould, Executive Director of Corporate Governance and Anita Randell, Head of Risk and Resilience. There were three reports: Update Report; Risk Management Policy; Corporate Risk Register. The key points noted were:

- (i) In addition to the normal meeting cycle, the University Risk Management Group (URMG) had arranged two workshops designed to create the mechanism to set and monitor risk appetite. The proposed methodology would be presented at the meeting in November that provided a more granular indication of risk appetite and provided the information in a format that would be more helpful to managers. Identified risk appetite would be indicative, and the aim would be to trigger the need for further discussion and mitigation.
- (ii) The updated Risk Management Policy separated the policy statement from the procedural elements.
- (iii) The corporate risk register was an extract of the full report to show the proposed allocation of risks to the appropriate governance committee. The role of the allocated

committee would be to review the management of those risks and provide a report on concerns to the Board.

- (iv) Committee reports and identified risks that were out of risk appetite would provide a rich picture of the direction of travel and therefore, priorities.

9.2 In discussion, the Committee noted the following:

- (i) There had been enthusiastic engagement across the University to progress proactive risk management.
- (ii) The Committee suggested that further actions could include regular updates to provided assurance to the Board about the Risk Management Framework, and that actions had been completed. It was important to identify where risk had been over-mitigated and where tolerance levels could be adjusted accordingly.
- (iii) The longer-term aim would be to report risk to the Board by exception, i.e. risks which were identified outside of appetite; 39 risks on the corporate risk register was a high number. An annual report would be provided on the risks that had been well managed and controlled.
- (iv) The development of the corporate risk register was very helpful and provided meaningful information on the most important risks to the University facilitating mitigation and control. The information provided a direction of travel and re-emphasised the strategic and enterprise risks.

9.3 Following discussion, the Committee:

- (i) Noted the development work undertaken on the Risk Management Framework by the URMG.
- (ii) Agreed the proposed allocation of governance committees for the oversight of risks.
- (iii) Approved the Risk Management Policy.

10 Unanimous Consent Agenda discussion

- 10.1 The Committee approved the Whistleblowing Policy.
- 10.2 The Committee discussed the Annual Research Integrity Statement. The audit dated Spring 2021 referred to in section 2 was a review undertaken by an external body. Following discussion, the Committee approved the statements and its publication on the website.
- 10.3 The Committee would like to see the value of any gifts or hospitality included in the report. Following discussion, the Annual Report on Gifts and Hospitality was noted.
- 10.4 The Committee noted that the Prevent Duty Update report was about activity rather than assurance and provided unnecessary information. Feedback would be provided to the author. The Committee recommended that the quarterly updates should be provided to UEB. The remit of the Committee would be to receive the annual Prevent Duty report, provided in November, as part of the Annual Data Return. Following discussion, the Prevent Duty Update was noted.

10.5 The Committee noted the Quarterly Report on Non-Audit Services.

10.6 The Committee noted the HE News Briefing from RSM for information.

11 Any Other Business

11.1 Any other business would be added to the agenda for future meetings as reported in section 3 of the minutes. There were two items raised:

- (i) The Committee requested a consolidated annual report about Freedom of Speech and any issues identified under the Code and Principles. A report would be planned into the committee indicative business.
- (ii) The London Campus was considered as a faculty within the University and included in audit reports where appropriate. It was not considered a separate entity that required a separate report, and the financial information was reported to the Finance and Infrastructure Committee.

12 OfS Publications

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

13 Confirmed Meeting Dates

The Committee noted the confirmed meeting dates for 2025/2026:

- 19 February 2026, 1000 to 1230
- 21 May 2026, 1000 to 1230

14 Date of Next Meeting

- The next meeting would be held on Tuesday 11 November 2025, 1300 to 1600

15 Record of Thanks

In their absence, the Committee noted its thanks to Dr Michelle Hale and Mark Readman, External Governor who had moved from the Audit and Risk Committee to the People Committee and wished them both well in their new committee role.