



Minutes of the 05 November 2021 meeting (held via Microsoft Teams)

Present: Nick Whitaker (Chair)

Qari Asim, Professor Christina Hughes, Barry Matthews, Rob Purdy

In attendance: Rachel Bradford, Andrew Bush (KPMG), Andrew Fern*, Alix Gledhill (BDO), Phil Harrison, Professor Jeanne Keay*, Alison Kennell, Helen Knowles (BDO), Tracey Lancaster, Dineo Ledwaba-Chapman, Holly Lewis (Secretary), Adam Makda (KPMG), Radhika Patel, Professor Peter Slee, Caroline Thomas

Attendees apologies: Arvinder Khela (KPMG), David Lowen

** Present as indicated in the minutes*

Secretary's note: prior to the meeting, members of the Audit Committee met with the internal auditors (KPMG) and external auditors (BDO) without any University colleagues present.

PRELIMINARY ITEMS

Declaration of Interest

001.2122 No declarations of interest were made.

Terms of Reference and Membership

002.2122 The Committee received the 2021/22 Terms of Reference and Membership profile, approved by the Board in July 2021.

Minutes

003.2122 The Committee **agreed** that the minutes of its meeting on 25 June 2021 were an accurate record.

Matters Arising

004.2122 The Chair presented a report on matters arising from minutes of previous meetings of the Committee, that were not otherwise included on the agenda.

005.2122 (a) The University's Fraud & Bribery Response Plan had been reviewed by the Registrar & Secretary's Office in consultation with HR, Finance, and Insurance; and was approved by the University Executive Team in October 2021.

CONFIRMED

- (b) Over 90% of eligible University colleagues had completed the four compliance-related training modules (*Data Protection, Information Security Awareness, Prevent, and Counter Fraud & Anti-Bribery*). All governors had completed the *Counter Fraud & Anti-Bribery* training and one governor had not yet completed the *Prevent* training.
- (c) The policy for the approval of engaging the internal or external auditors for non-core audit work had been drafted and would be presented to the Audit Committee for review in February 2022. The policy approach had been adopted with any requests to engage KPMG or BDO in non-core audit work requiring approval from the Chair of the Audit Committee prior to any work commencing.

Minute 006 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

007.2122 A 'Chair's Action' item would be added to future agendas where required to report to the Committee any requests to engage the internal or external auditors for non-core audit work.

RISK MANAGEMENT

University Risk Register

008.2122 The Committee reviewed the status of risks in the University's risk register for the first quarter review in 2021/22.

Minutes 009-010 are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

011.2122 A simplified risk register template, aligned with the new strategic plan, was in development. The revised approach would be informed by the wider work commissioned on a Board Assurance Framework and would also take account of the feedback from governors at Audit Committee meetings to consider the University's approach to cross-cutting risks, target levels of risk and how early warning indicators could be assessed and linked to key performance indicators.

YEAR ENDING 31 JULY 2021

012.2122 The Audit Committee considered whether the University had adopted appropriate accounting policies; made appropriate estimates and judgements; made disclosures with appropriate clarity and completeness; and set these properly in context. This is distinct from the role of the Finance, Staffing & Resources Committee in considering and recommending the operating and financial review to the Board.

External Audit Report for the year ended 31 July 2021

013.2122 The Committee received the External Audit Report for the year ended 31 July 2021 from the University's external auditors, BDO, which would be submitted to the Board and OfS as part of the University's Annual Financial Return.

Minutes 014-015 are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

016.2122 The Committee **endorsed** the External Audit Report for the year ended 31 July 2021 to be submitted to the Board of Governors, subject to any final audit adjustments, and subsequently to the OfS as part of the University's Annual Financial Return.

Draft Financial Statements for the year ended 31 July 2021

- 017.2122 (a) The Financial Statements for the year ended 31 July 2021 were prepared in accordance with the requirements of the OfS Accounts Direction and applicable accounting standards.
- (b) In accordance with its Terms of Reference, when reviewing the draft Financial Statements, the Audit Committee focused on the statements on risk management and internal control within the Corporate Governance Statement, on the consideration and review of any accounting policies, and the assessment of the effectiveness of internal controls.
- (c) The external audit opinion and the statement of members' responsibilities were also reviewed, alongside the Board's responsibilities for the preparation of the Financial Statements and the role of the Audit Committee in recommending them to the Board for approval.

Minutes 018-019 are exempt from publication under section 22 (information intended for future publication) of the Freedom of Information Act 2000.

020.2122 The Committee **recommended** that the Board approves the Financial Statements for the Year Ended 31 July 2021 for submission to the OfS.

Internal Audit Annual Opinion 2020/21

021.2122 The Committee received the Internal Audit Annual Opinion from KPMG for 2020/21.

Minute 022 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

023.2122 The Committee endorsed the report for submission to the Board in November.

Secretary's note: Andrew Fern, Director of Strategic Insight and Business Analysis, joined the meeting.

Data Assurance Annual Report 2020/21

024.2122 The Committee considered the Data Assurance Annual Report 2020/21 which provided information about the University's activities to manage the risks relating to data quality and data security during 2020/21.

Minutes 025-026 are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

027.2122 The Committee was satisfied with this assessment and the assurance provided.

Secretary's note: Andrew Fern left the meeting.

2020/21 Annual Report on Fraud and irregularity, bribery, and public interest disclosure ('whistleblowing')

028.2122 The Committee received the annual report which summarised investigations into reports of fraud, irregularity, bribery, and public interest disclosure during 2020/21, providing assurance to the Committee that the University has appropriate mechanisms in place for preventing matters of fraud.

Minutes 029-030 are exempt from publication under section 43 (Commercial Interests) and section 41 (Information provided in confidence) of the Freedom of Information Act 2000.

031.2122 The Committee reviewed a report on how the University monitors compliance with the OfS conditions of registration throughout the year and the methods of assurance relied upon to monitor that compliance.

Minute 032 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Prevent Annual Accountability and Data Return

033.2122 The Committee received the Prevent Annual Accountability and Data Return, in preparation for submission to the OfS in December, detailing how the University had complied with Prevent Duty.

Minute 034 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

035.2122

The Committee recommended that the Board approves the return for submission to the OfS.

Audit Committee Annual Report and Opinion for the year ended 31 July 2021

036.2122 The Committee received the draft Audit Committee Annual Report and Opinion for the Year Ended 31 July 2021. The report summarised the Audit Committee's activities during 2020/21, and set out its opinions on: risk management, control and governance arrangements; arrangements for economy, efficiency and effectiveness to ensure and promote value for money; and arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS, and other funding or regulatory bodies to which it is accountable.

- (a) The Committee agreed that the report was an accurate reflection of its activities during 2020/21 and provided appropriate assurances.
- (b) The Committee confirmed that it had reviewed the statements in relation to risk management and internal control contained within the Corporate Governance Statement included in the Financial Statements for the year ended 31 July 2021 and was able to provide assurance to the Board that it accurately described the matters within its knowledge and remit.
- (c) The Committee confirmed that it considered the Board's responsibilities in the preparation of the Financial Statements, had been satisfactorily discharged.

037.2122 The Audit Committee agreed that the report was an accurate reflection of its activities during 2020/21, subject to reflecting the discussions at this meeting, and provided appropriate assurances. The Committee recommended submission of the paper to the Board of Governors.

INTERNAL AUDIT

Updated Internal Audit Plan 2021/22

038.2122 The revisions to the 2021/22 internal audit plan, identified at the June Audit Committee meeting, had been incorporated and were presented to the Committee.

Minute 039 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Internal Audit Progress Report

040.2122 The Committee received an update from KPMG on their work on the follow-up of past internal audit recommendations.

Minutes 041-042 are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Internal Audit Report HESA Student Return (2020/21)

043.2122 The Committee received the outcome of the 2020/21 internal audit report on the 'HESA Student Return'.

Minute 044 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

GOVERNANCE AND COMPLIANCE

Reportable Events: Update Report

045.2122 The Committee received an update on potential Reportable Events considered under the University's procedure, up to 27 October 2021.

Minutes 046-048 are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Research Misconduct & Research Integrity - Annual Report

049.2122 (a) The Audit Committee has delegated authority to 'monitor the University's risk from research misconduct' and the Committee discharges this responsibility through the consideration of the annual Research Misconduct & Research Integrity report.

(b) The Statement covered the actions and activities undertaken during 2020/21, as well as the framework in place to support fostering a culture of research integrity. The

Statement summarised the University's status relative to the expectations of the Concordat to Support Research Integrity.

050.2122 It was reported that, during 2020/21, no cases of research misconduct were recorded or reported.

Research England Review of 2018/19 Postgraduate Research Student Data

051.2122 The Committee received the outcome of the Research England Review of 2018/19 Postgraduate Research Student Data. The report was received without discussion.

Minute 052 is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Secretary's note: Professor Jeanne Keay, Pro Vice Chancellor Global Engagement, joined the meeting.

Review of UKVI Compliance

053.2122 The Committee noted the report of an independent review, commissioned by the University's Registrar & Secretary, of UKVI compliance which was concluded in July 2021.

Minutes 054-056 are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Secretary's note: Professor Jeanne Keay left the meeting.

OTHER BUSINESS

Schedule of Business 2021/22

057.2122 The Committee received its schedule of meetings and business for 2021/22.

Date of next meeting

058.2122 The next meeting of the Committee would be held on Friday 18 February 2022 at 10:00 via Microsoft Teams. This will be preceded by a pre-meeting of the governors and the auditors from 09:30.

Other Urgent Business

059.2122 No other business was raised.

Secretary's note: BDO and KPMG left the meeting.

Confirmed by the Committee as a correct record and signed by the Chair:

Signed: _____ Date: _____