

MINUTES of the 12 April 2019 meeting

Present:

Nick Whitaker (Chair)
Professor Peter Marsh

Gill Webber

In attendance:

Andrew Bush (KPMG)
Barbara Colledge*
Phil Harrison
Holly Lewis
Caroline Thomas

Professor Phil Cardew*
Lee Dobbing (KPMG)*
Kate Harvey (Secretary)
Professor Peter Slee

Stephen Clark (EY)
Basem El-Haddadeh*
Tracey Lancaster*
Professor Paul Smith

Apologies:

Dr David Fletcher
Dan Spiller (EY)

Robert Fenton (KPMG)

Alison Ormston (KPMG)

* *Present as indicated in the proceedings*

Part A: Preliminary Items

Declaration of interest

097.2018.AUD No declarations of interest were made.

Minutes

098.2018.AUD The Committee **AGREED** that the minutes of its meeting held on 02 February 2019 were an accurate record (paper reference AUD-2018-034).

Matters arising

099.2018.AUD The Chair presented a report on the matters arising from the minutes of the previous meeting of the Committee held on 02 February 2019 (paper reference AUD-2018-034). It was **reported** that the online Cyber-security training module had been rolled out to 78% of Leeds Beckett staff, an increase of 12%. Those staff still to undertake the module included staff in CARES and some part-time academic staff. An update would be provided to the Committee on 21 June 2019.

100.2018.AUD There were no additional matters arising.

Part B: Major Topics

Risk management – Deep Dive: Published Information

101.2018.AUD The Committee received a deep dive report into published information from the Deputy Vice Chancellor (Corporate Communications) and the University Registrar (paper reference AUD-2018-036).

- 102.2018.AUD
- a) It was **reported** that work had focussed on compliance with the Competition and Markets Authority (CMA) guidance advice issued to the Higher Education sector in 2015, the key risk in this area, where any breaches would comprise a breach of contract law. This included ensuring that:
 - i. Full information was provided to applicants and students at any stage of their relationship with the University, to enable them to make informed decisions about their choice of course;
 - ii. The process for making any changes was clear and defined; and
 - iii. There was consistency between what was advertised, for example in prospectuses and at open days, and what was delivered by the University.
 - b) Work already completed included an updated online prospectus, with information now available by specific year of admission, and the development of Course Specifications that were available to applicants and students via the online prospectus. Both entries in the prospectus and Course Specifications were signed off by the Deans of school on an annual basis.
 - c) Following an internal audit of CMA compliance in 2017/18, a clear Change Consent process had been implemented, for managing the communications with applicants and students in unavoidable circumstances where changes to the material information previously provided was required. Formal agreement by the Academic Planning and Collaborations Group was required before any changes were introduced.
 - d) It was noted that the Higher Education Code of Governance contained a requirement to commit to providing transparency, and ensuring that certain information was publically accessible. Additionally, under the Freedom of Information Act 2000, as a public body Leeds Beckett was required to maintain a publication scheme.
 - e) With regard to the new regulatory framework implemented by the Office for Students (OfS), Leeds Beckett had published its Student Protection Plan and arrangements for student transfer as required by the Conditions of Registration. Under Condition F4, from August 2019 providers would also be required to publish certain information specified in section 9 of HERA, pertaining to:
 - i. the number of applications for admission received;
 - ii. the number of offers made by the provider;

- iii. the number of those offers accepted;
 - iv. the number of students who accepted those offers that completed their course; and
 - v. the number of students who attained a particular degree or other academic award, or a particular level of such an award, on completion of their course with the provider.
- f) The University also had oversight of information provided to potential students by its international partners via a Quality Assurance Agency-approved process, enhanced following an audit of operations in Hong Kong. All alternate-language versions of Leeds Beckett publications were checked regularly, and on-going web audits also took place.
- g) Next steps would include a review of the student contract and improved signposting to documents which comprise the wider contract with the University, to ensure applicants and students had access to the full range of information needed for informed decision-making. A review would also take place relating to postgraduate, international and non-UCAS students, to ensure key information processes were aligned and that the levels of transparency in the information provided to these groups of students were consistent with provision for undergraduate students. It would also be important to ensure any changes to processes were disseminated properly to key areas.
- h) KPMG were satisfied with the assurance provided by the report that adequate processes were in place to ensure compliance with statutory and regulatory requirements.

103.2018.AUD

The Audit Committee **AGREED** that, going forward, an update on compliance with published information requirements would be submitted to the Audit Committee on an annual basis.

Secretary's note: Tracey Lancaster left the meeting.

Risk management – Deep Dive: Teaching Excellence Framework (TEF)

- 104.2018.AUD
- a) The Committee received a report from the Deputy Vice Chancellor Academic providing an update on action taken in preparation for the January 2020 TEF submission, since the initial deep dive report provided for the Committee on 02 November 2018 (paper reference AUD-2018-037).
 - b) It was **reported** that under the Higher Education and Research Act 2017, the national pilot Subject-level TEF process would be evaluated following completion and would inform the arrangements for TEF 2020, as would an independent review of TEF conducted by Dame Shirley Pearce. This review was expected to be concluded by summer 2019 and the proposed TEF 2020 process was expected to be published in the autumn 2019. It was noted that Leeds Beckett had not been selected to participate in the national pilot process.

Secretary's note: Minute 105b.2018.AUD, and parts of 105(c)-(d) are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

- 105.2018.AUD
- a) Revised and updated TEF 2018/19 pilot subject level indicators had been published in February 2019. Continuation would be double-weighted, and new National Student Survey-based measures would be included, such as Learning Resources and Student Voice. There had also been a number of changes to subject-groupings.
 - c) Input from students would be sought, via the Students' Union officers and school forums, and an analysis of the National Student Survey qualitative comments.
 - d) The Committee commented on the systematic approach adopted by Leeds Beckett, which provided both support and challenge.

106.2018.AUD

The Audit Committee AGREED that an update on preparation for the TEF should be submitted at the Board Away Day on 26 April 2019.

Secretary's note: Phil Cardew and Barbara Colledge left the meeting.

Corporate Risk and Assurance Register

- 107.2018.AUD
- The Committee received a report from the University Secretary providing the outcomes of the most recent Corporate Risk and Assurance Register review (paper reference AUD-2018-038).

Secretary's note: Minute 108.2018.AUD is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Part C: Financial Matters

Transparent Approach to Costing for Teaching (TRAC(T)) return 2017/18

- 109.2018.AUD
- a) The Committee received a report from The Director of Finance providing the TRAC(T) submission to the Office for Students (OfS) (paper reference AUD-2018-039). It was reported that TRAC(T) identified the cost of teaching individual students within specific subject areas, and was sensitive to changes in students numbers. There were a number of year-on-year differences in comparison to the 2016/17 return, which were consistent with the changes in student numbers. Cost drivers were reviewed on an annual basis by the University Executive Team.
 - b) The Committee reviewed and retrospectively approved the annual TRAC(T) return, a new requirement following the creation of the OfS. The return had

been endorsed by the University Executive Team on 26 February and approved by the Chair of the Committee on 27 February.

- c) It was noted that retrospective approval was permitted if a meeting did not fall before the submission date, provided approval by the Chair of the Committee had been received ahead of submission.

110.2018.AUD The Audit Committee retrospectively **approved** the Transparent Approach to Costing for Teaching (TRAC(T)) return.

Part D: Internal Audit Reports

Internal Audit – Progress Report

111.2018.AUD The Committee received a report from KPMG, presenting an update on the progress of the current internal audit plan for 2018/19, which was currently on track. An update was also provided on the implementation status of recommendations from previous audits (paper reference AUD-2018-040).

Secretary's note: Minute 112.2018.AUD is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Internal Audit Reports

Key Financial Controls

113.2018.AUD The Committee received a report from KPMG providing the outcomes of the Key Financial Controls internal audit (paper reference AUD-2018-041). It was **reported** that:

Secretary's note: Minutes 114 and 115.2018.AUD are exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Secretary's note: Basem El-Haddadeh and Lee Dobbing (KPMG) joined the meeting.

IT Project Governance

116.2018.AUD The Committee received a report from KPMG providing the outcomes of the IT Project Governance internal audit (paper reference AUD-2018-042). The Director of IT Services was in attendance to speak to the report, which was presented by the Technology Senior Manager from KPMG.

Secretary's note: Minute 117.2018.AUD is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Secretary's note: Basem El-Haddadeh and Lee Dobbing left the meeting.

Part E: External Audit

Draft External Audit Strategy and Operational Plan for the year ending 31 July 2019

118.2018.AUD The Committee received a report from the University's external auditors, Ernst Young (EY) providing the proposed audit planning report for 2019/20 (paper reference AUD-2018-043).

Secretary's note: Minute 119.2018.AUD is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

120.2018.AUD It was noted that the Office for Students had not yet issued an updated accounts direction, and as such being EY would continue to work according to the current direction for the time, which had been issued on a "comply or explain" basis.

121.2018.AUD

The Audit Committee approved the proposed strategy from EY.
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Part F: Other Business

Schedule of meetings and business for 2018/19

122.2018.AUD The Committee received its schedule of meetings and business for 2018/19 (paper reference AUD-2018-044).

Date of next meeting

123.2018.AUD The next meeting of the Audit Committee would be held at 13:30 on 21 June 2019 in G05, Old Broadcasting House, City Campus

Other business

Student Number Forecasts

124.2018.AUD The Vice Chancellor reported that the Office for Students had written to all Vice Chancellors, expressing concern that student growth forecasts across the sector were unrealistic, which would impact on institutions' financial forecasts. The OfS had requested that the letter be passed to Chairs of the Board, who should ensure that forecasts were reviewed.

Secretary's note: Minute 125.2018.AUD is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

Unconditional Offers

126.2018.AUD The Vice Chancellor also reported that the Secretary of State for Education had released a list of those institutions who had been making use of "conditional" unconditional offers during the current recruitment cycle, otherwise known as pressure selling.

Secretary's note: Minute 127.2018.AUD is exempt from publication under section 43 (Commercial Interests) of the Freedom of Information Act 2000.

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

Signed: _____ Date: _____