

**Approved Minutes**

**Present**

Mrs Emma van der Lugt (Committee Chair)	Independent Governor	EvdL
Mr Stephen Criddle, OBE	Independent Governor	SC
Ms Victoria Holbrook	Independent Governor	VH
Mr John Searson	Independent Governor	JS

**In attendance**

Prof Rob Warner	Vice-Chancellor	RW
Mrs Heather Ancient	PricewaterhouseCoopers (Internal Auditor)	HA
Mr Simon Arthurs	Director of Finance	SA
Mr Charlie Martin	PricewaterhouseCoopers (Internal Auditor)	CM
Mr Stephen Plant	University Secretary & Registrar	SP
Mrs Jessamie Thomas	Governance Officer (note taker)	JT

1. **Reserved Business** (no staff in attendance)
2. **Reserved Business** (no staff in attendance)
3. **Reserved Business** (no staff in attendance)

**MAIN MEETING – all in attendance**

**4. Welcome, Apologies & Declaration of Conflicts of Interests**

- 4.1 Opening the main part of the meeting, the Chair, Emma van der Lugt, welcomed colleagues. Mr Stephen Criddle, OBE, qualified accountant, was welcomed to his first meeting of this committee.
- 4.2 Apologies were received from Rev Prof Gina Radford.
- 4.3 No conflicts of interest were declared. The full register was included in Part B.
- 4.4 EvdL invited colleagues to ‘unstar’ items in Part B. None were identified.
- 4.5 SA updated the committee on one matter arising: partner organisations’ ongoing regulatory compliance. SA explained to the committee’s satisfaction how this was being carefully monitored and supported, to ensure an ongoing focus on student wellbeing and academic quality and standards.
- 4.6 SA confirmed that external auditors, Bishop Fleming, had been kept sighted of dBS accounts matters, and dBS had appointed KPMG to provide professional support.

**5. Minutes of the Previous Meeting (19 June 2020)**

- 5.1 The minutes were received. On correction of the titles of PwC colleagues, the minutes were **APPROVED** with no further amendments.

**6. Internal Audit – Outstanding Audit Recommendations**

**Approved Minutes**

- 6.1 The report was received. EvdL invited SA to summarise the position. Two key outstanding high and medium risk items were highlighted: Sports Centre Strategy and Director of Sport; Assets. Updates were noted and the delay caused by COVID-19 acknowledged. SA provided assurance on how any risks would be monitored. The committee was satisfied with the position.
- 7. Internal Audit – Audit Plan 2020/21 and Progress Report**
- 7.1 The report was received. EvdL invited HA and CM to summarise findings and recommendations. The following reports were discussed, with one further report to be presented on 6 November 2020 (M2).
- **Human Resources**
- 7.2 The committee noted the work of Director of People & Organisational Development, Lucy Pengelly, in the development and implementation of a new PDR approach and platform. Two key findings, ascribed to culture around the process, were noted. The committee concurred that embedding completion of the process as a requirement, actively backed by SMT, ensuring it was straightforward to use and with training provided, would all be beneficial in promoting its uptake.
- 7.3 The committee requested that LP provide an interim update report to this committee during 2021-22 on the rate of completion. **ACTION: LP (JT)**
- 7.4 It was noted that IA reviews generally in future would not purely report by exception but would highlight strengths as well as risks.
- **Key Financial Controls (Accounts Payable)**
- 7.5 The review of controls, systems and processes had highlighted a high use of the waiver process. SA explained how the waiver had been used inadvertently in certain instances rather than these being recorded as exceptions. SA intended to review communications of the Financial Regulations to staff.
- 7.6 A second outcome was the absence of regular KPI reporting, which in turn could impact on performance management. The committee noted the business planning which was already addressing this, so that all services and Schools would articulate outcome KPIs to allow for comparison and value for money benchmarking.
- 7.7 University Secretary and Registrar, Stephen Plant, reminded the committee that annual KPIs would be presented to the November Board of Governors (BoG) meeting. Vice-Chancellor, Prof Rob Warner, urged the committee to discuss the KPIs fully at the BoG meeting as they were a significant marker of the University's position; wider Board awareness of these and engagement would be important.
- **Treasury Management (Advisory)**
- 7.8 It was noted that the approach taken had been the sharing of best practice in light of COVID-19, regarding cash flow forecasting and how to formalise the process. SA confirmed the

**Approved Minutes**

usefulness of this approach and it was noted that a Treasury Management Policy was being developed which would sit within the overall Financial Strategy.

• **Audit Plan 2020/21**

- 7.9 HA summarised the service delivered by PwC as a directed outsourced provider working within a budget set by Marjon, which PwC (through dialogue with Marjon) directed to areas identified as being potentially of greatest risk. HA explained the concept of the 'audit universe' and how the plan had been produced having taken into account the Risk Register, key risks and sector comparison. HA invited the committee to consider whether the plan addressed the key risks and whether other areas should be included.
- 7.10 The committee was reassured by the inclusion of cyber security.
- 7.11 The committee noted that student recruitment and experience were part of the 'audit universe' and sought reassurance that academic risk, reputational sustainability and culture would be sufficiently covered, via a focus on student recruitment, experience and retention during COVID-19 challenges.
- 7.12 Additionally, the committee noted the potential sector-wide risk of academic governance in the context of potential volatility in student outcomes, coupled with some of the success benchmarking measures not being required this year.
- 7.13 SP responded to the committee's invitation to provide assurance regarding the University's ability to ensure robust academic governance and academic outcomes, ahead of more detailed consideration that would come to the November BoG meeting. It was noted that Senate had BoG representation, there had been an IA on Marketing and Student Experience in 2019/20. SP summarised the regulatory controls, processes and statutory returns in place and the greater flexibility that the cessation of the requirement that an annual internal audit opinion be included in the Statement of Internal Control in the Financial Statements for submission to OfS would provide.
- 7.14 In terms of academic governance, SP listed numerous measures in place in order to provide robust assurance of this area, with examples such as staff membership of professional networks, OfS compliance, the reactive and agile approach of Senate in the face of the COVID-19 challenges. SP was confident of a comprehensive audit trail demonstrating appropriate action, stakeholder input and good degree outcomes. A detailed report would come to the November BoG on quality assurance, which would dovetail with a presentation on teaching and learning from the Pro Vice-Chancellor (Academic Success).
- 7.15 RW reiterated that there would be many ways that the BoG would receive updates on academic achievement and student experience this year. An IA review may be helpful for 2021-22 but he felt it may not be constructive currently, given the significant pressures brought about by COVID-19.
- 7.16 It was suggested that a review of the risk to the capacity of the leadership team be monitored, given the strategic opportunities available yet these being such challenging times. It was asked whether the audit plan had a view of the capacity of the organisation at leadership level to be able to embrace these opportunities at the same time as maintaining an outstanding provision for students.

### **Approved Minutes**

- 7.17 HA flagged a sector-wide concern regarding potential general fatigue following a turbulent year going into a potentially challenging winter. HA recommended placing any such common pervasive theme on the Risk Register. The committee agreed it would be important not to overburden the University's leadership team through a formal IA review at a time when response and proactivity would be more important.
- 7.18 Corrections to the plan were requested: John Bailey B.1, B.2; SA B.3; amendment of confirmation statement p17. **ACTION: HA (JT)**
- 7.19 The committee was content with the overall approach and **APPROVED** the Internal Audit Plan 2020-21 and indicative timetable, with the proviso that corrections at 7.18 be made and student experience and academic standards and governance be considered for inclusion in 2021-22. **ACTION: HA (SA/SP)**

Closing the main part of the meeting, EvdL thanked HA and CM for their contributions.  
*HA and CM left the meeting.*

- 8. Reserved Business** (No Auditors in attendance) – See RB minutes.

#### **Close**

In closing the meeting, EvdL invited colleagues to reflect upon whether discussions impacted on the current risk register or if changes were proposed. None were highlighted.

#### **Part B – for information only**

- 9. Matters Arising from Previous Meeting**

The report was received. Following discussion at 4.5/4.6, matters arising were considered complete.

- 10. Risk Assurance and Review**

- Strategic Risk Register - The report was received for information with no queries.
- Root Cause Analysis Report - The report was received for information with no queries.

- 11. Register of Interests**

The report was received for information with no queries.