

Approved Minutes

Present

Mrs Emma van der Lugt (Committee Chair)	Independent Governor	EvdL
Mr Stephen Criddle, OBE (Deputy Committee Chair)	Independent Governor	SC
Mrs Victoria Holbrook	Independent Governor	VH
Rev'd Preb Prof Gina Radford	Independent Governor	GiR

In attendance

Prof Rob Warner	Vice-Chancellor	RW
Prof Michelle Jones	Deputy Vice-Chancellor	MJ
Mr Simon Arthurs	Chief Operating Officer & Finance Director	SA
Mr Stephen Plant	University Secretary & Registrar	SP
Mr Ben Connor	Internal Auditors PwC	BC
Mrs Jessamie Thomas	Governance Officer (note taker)	JT

1. **Reserved Business (1)** (No Staff in attendance)
See Reserved Business (1) minutes
2. **Reserved Business (1)** (No Staff in attendance)
See Reserved Business (1) minutes
3. **Reserved Business (1)** (No Staff in attendance)
See Reserved Business (1) minutes

MAIN MEETING – all in attendance

4. Welcome, Apologies & Declaration of Conflicts of Interests

- 4.1 Opening the main part of the meeting, Committee Chair, Emma van der Lugt, welcomed colleagues.
- 4.2 Apologies were received from co-opted member Victoria Hatton. It was noted that Rev'd Preb Prof Gina Radford would join the meeting shortly.
- 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.

5. Internal Audit

- Internal Audit Progress Report
- 5.1 EvdL invited Head of Internal Audit, Ben Connor, to provide a summary. BC noted the progress evidenced to date against the annual plan and confirmed the reports which would be received at the next meeting of the Committee, in June. The Committee was satisfied with the position. BC also highlighted the PricewaterhouseCoopers 'Thought Leadership' resources which had been shared.
 - Regulatory Compliance Review
 - 5.2 BC noted that the Office for Students (OfS) had in the last week confirmed revised conditions of registration relating to quality and standards. BC provided an overview of these and implications for the sector.

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- 5.3 EvdL invited BC to summarise the findings of the review. BC reminded the Committee of the scope of the review and commended the University on its well-embedded controls and reporting mechanisms. Evidence of good practice noted in the report included the comprehensive cycle of academic quality reports and papers which were embedded into the business of the Board, Senate and University Board of Studies (UBoS) meetings.
- 5.4 University Secretary & Registrar, Stephen Plant, in turn noted the assurance over quality and standards which this report should provide to the Board, and how it directly addressed the Board's request to develop its understanding of this area, one of two priority actions arising from the Board's Effectiveness Review.
- 5.5 BC summarised the two areas identified where, in the internal auditors' view, oversight processes could be enhanced, one classified as medium risk relating to control design in reporting the oversight of academic risks by Senate and University Board of Studies and one low risk relating to the Staff/Student Liaison Committee operating effectiveness.
- 5.6 BC noted the expectation that some academic risks would feed into Audit Committee with an account of how they were being mitigated.
- 5.7 BC noted the benefits of the Student/Staff Liaison Committee (SSLC) and suggested that its minutes be distributed more widely. BC suggested that an umbrella group with student representation may be preferable to multiple groups.
- 5.8 The Committee requested further information on the purpose of the three committees with student participation and the role that students played, wishing to be sure that having multiple groups did not risk diluting students' engagement. In response, SP explained the different focus of the three groups and students' participation and role in each. MJ suggested that an updated flowchart displaying opportunities for student voice would be beneficial for students.
- 5.9 RW reminded the Committee that COVID had inevitably impacted on student representatives' attendance at some meetings. Student engagement was encouraged via various channels, including an invitation to evaluate every teaching session they attended and encouragement to engage with 'Chatback' to provide feedback on any areas they wished.
- 5.10 The Committee commended the journey on which SP had taken the Board, so as to thoroughly embed an understanding of academic matters, which had helped to provide assurance that appropriate systems were in place. It was suggested that a repeat of this review could be beneficial, as a standing item perhaps every two or three years, given the changes in the regulatory landscape. **ACTION: MAG**
- 5.11 It was suggested that an externally facilitated Board effectiveness review could be timely, which could assess the Board's confidence in this assurance.
- 5.12 It was suggested that via the end of year report coming to Audit Committee, the findings of the report could be reviewed and closed off. Assurance was sought as to whether this would be sufficiently proactive in terms of the Committee's awareness of emerging academic risks. SP confirmed that updates would be presented to the Committee and Board, as had been the case for example in response to the OfS B3 conditions, programme approval and continuation.

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- 5.13 The Committee was satisfied with the position and thanked BC, SP and RW for their contributions.

6. Outstanding Internal Audit Recommendations

- 6.1 The report was received. EvdL invited Chief Operating Officer & Finance Director, Simon Arthurs, to present an overview.
- 6.2 SA presented the consolidated log of audit findings, recommendations and management responses.
Rev'd Preb Prof Gina Radford joined the meeting.
- 6.3 Deputy Vice-Chancellor, Prof Michelle Jones, provided an update on the development of the Sports Centre Strategy, central to which would be an assessment of the purpose and utilisation of the centre and the way it would support students' participation in sport and their wellbeing. Over 500 responses from students to a survey on the development of the Sports Centre Strategy had been received. The Board's understanding would be enhanced via a strategy session delivered by Marjon Sports Federation later in the month.
- 6.4 The Committee was satisfied with the position and **AGREED** to close all items recommended for closure under point 3 of the report. SA was thanked for his report.

7. Risk Register

- 7.1 The report was received; the priority Risk Register was enclosed.
- 7.2 EvdL invited SA to present an overview. SA drew attention to the updates as laid out in the summary paper, highlighting key elements of the commentary and answering questions from the Committee.
- 7.3 In terms of financial risk, RW noted that the National Audit Office had reported that the OfS had imposed enhanced monitoring due to financial risk on a number of Higher Education Institutions (HEIs) and furthermore had recognised a number of HEIs as being at risk. RW confirmed that Marjon was not amongst these but highlighted the need to recognise the severe financial pressures facing the sector.
- 7.4 SA noted that the Cyber Security Policy had been discussed by the Senior Management Team and would be shared with those Board members with digital expertise ahead of being brought to F&R Committee next month and Board of Governors (BoG) in July. The heightened cyber security threat from Russia to the West as a result of the war in Ukraine was noted.
- 7.5 SA noted the potential impact of the rising cost of living and inflation on the retention and recruitment of staff and confirmed the consideration which was being channelled into attracting and retaining staff.
- 7.6 It was suggested that, noting the increased demand on the counselling service, a strategic risk narrative around student wellbeing and the link to retention should be incorporated into the Risk Register. **ACTION: SA**
- 7.7 It was confirmed that the Vice-Chancellor's fund had been directed to support mental health and wellbeing and an increased investment in counselling had been made. The Board's understanding of the level of need in this area had been developed via a strategy session with the Head of Student Support and Wellbeing earlier in the academic year. A

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follow-up would be arranged in due course, along with an update on how the University was supporting students to develop their life skills. The Vice-Chancellor informed the Committee of correspondence he had sent to the Universities Minister regarding the entitlement of students to be referred to the NHS for counselling.

- 7.8 The Committee discussed the pace at which the offer was being reviewed, mindful of the impact of the war in Ukraine and global events of concern on mental health. RW provided examples of the support mechanisms available to staff and students.
- 7.9 The Committee sought assurance regarding the management of its investments given the turbulence in the financial markets. SA confirmed that an investment update from the University's fund manager would come to F&R Committee in April.
- 7.10 The Committee was satisfied with the position, **APPROVED** the Risk Register and thanked RW and SA for their updates.

8. Financial Regulations 2022-23

- 8.1 The report was received. EvdL invited SA to present a summary to the Committee.
- 8.2 SA reminded the Committee that the formatting of the Financial Regulations had been reviewed the previous year, so as to allow the Board to focus its attention and approval on the strategic first part of the document, with operational elements in the second part. The proposed changes to this year's Financial Regulations were on p2, showing updated names and signposting to working practices.
- 8.3 In response to a question, SA confirmed that the authorisation limits and streamlined procurement procedure had been beneficial and had not caused any issues. SA confirmed that there would be an ongoing focus on the shift away from a transactional approach to a procurement planned approach.
- 8.4 SA and team were commended on the work being done in this area.
- 8.5 The Committee **APPROVED** the draft Financial Regulations 2022-23 for onward recommendation to F&R Committee and BoG.

9. Significant Losses Report

- 9.1 The report was received. EvdL invited SA to present a summary.
- 9.2 SA confirmed that there were no significant losses to report. The Committee was satisfied with the position.

10. To Review Committee Effectiveness, Terms of Reference (approval), Membership, Cycle of Business and Proposed Meeting Dates 2022-23

- 10.1 The report was received.
- 10.2 EvdL thanked colleagues for their responses to the Audit Committee effectiveness survey, which had been devised by PwC, based on the CUC HE Audit Committees' Code of Practice. The usefulness of the 360 review was also noted.
- 10.3 Referencing the Audit Committee Survey Responses Analysis 2021-22 which had been circulated prior to the meeting, it was agreed that further work on understanding and assessing the culture and behaviours in place within the institution would be helpful. It was

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suggested that feedback from other HEIs of a similar size on how they addressed this issue would be useful. **ACTION: MAG**

- 10.4 BC and VH respectively confirmed that this was a topical discussion across the sector. BC noted that it tended to focus upon assurance regarding a culture of compliance.
- 10.5 It was noted that detailed discussion of organisational culture was routinely held by the BoG's People & Organisational Development Sub-Committee. Consideration of how committee-level findings then fed through to Audit Committee could potentially be discussed at the next Chairs' Discussion Group meeting. **ACTION: JT.** It was felt that the return to campus of BoG meetings would provide further assurance around culture, allowing for direct experience and evaluation.
- 10.6 RW provided examples of the University's student-centred ethos: the University had set a minimum face-to-face teaching rate of 80% of classes, and staff had chosen to increase this to over 95% (while some other Universities still offered none at all); some Universities had lost days due to strikes, Marjon had lost none. RW confirmed there was an array of benchmarking around culture which could be brought to the Committee. **ACTION: MAG**
- 10.7 The Committee noted the exceptional feedback universally awarded to EvdL for the effective way in which she chaired Audit Committee and expressed their gratitude to EvdL for her commitment.
- 10.8 The Terms of Reference were **APPROVED**, unchanged from the current version except for revised wording regarding committee membership, which would be included upon formal approval of the University's revised Articles of Association. This would allow elected (student and staff) governors to be members of the Committee at the Chair's invitation, so as to foster inclusivity.
- 10.9 Committee membership was **APPROVED**, including confirmation for the next academic year of the Committee Chair (Emma van der Lugt) and Deputy Chair (Stephen Criddle OBE).
- 10.10 Noting the new inclusion of Cyber Security, the appropriacy of the Cycle of Business was confirmed.
- 10.11 The meeting schedule for 2022-23 was confirmed.
- 10.12 SP was thanked for his update and Governance Officer, Jessamie Thomas, for her contribution to the drafting of the report and management of the effectiveness review process.
- 11. Reports from the National Audit Office, the funding bodies and other organisations**
- 11.1 EvdL noted that the Augar Review had been published.
- 11.2 EvdL invited SA and SP to share any reports or updates with the Committee, further to the Vice-Chancellor's commentary earlier in the meeting regarding fees and inflation. SP noted that a recommendation of the Augar Review had been to place a minimum entry requirement for students of 32 UCAS points. SP reassured the Audit Committee that the University's tariff threshold was significantly above that, at 64 UCAS points.
- 11.3 The Committee thanked SP for his update.

Close

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In closing the main part of the meeting, EvdL invited colleagues to reflect upon whether discussions impacted on the current Risk Register or if changes were proposed. None were identified.

EvdL thanked BC for his contribution to the meeting.

BC left the meeting.

12. Reserved Business (2) (No Auditors in attendance)

See Reserved Business (2) minutes

13. Reserved Business (2) (No Auditors in attendance)

See Reserved Business (2) minutes

Part B – For Information and Decision by Way of Note

14. Minutes of Previous Meeting (5 November 2021)

The minutes of the Audit Committee meeting (M1), 5 November 2021 were received, confirmed as a true and accurate record and **APPROVED** with no amendments.

The following reports were received for information with no queries:

15. Data Protection and Freedom of Information Annual Report

16. Office for Students (OfS) Quality and Standards Consultation

17. Matters Arising from Previous Meeting

18. Register of Interests

Part C – Supplementary Information

The following reports were received for information with no queries:

C5 Student Recruitment – Themes from Internal Audit – sector analysis from PwC

C8 Financial Regulations 2022-23 (full)