



MEETING OF THE AUDIT AND RISK COMMITTEE

MONDAY 17 OCTOBER 2022

In person, 14:00, 4.04 Beacon House

MINUTES

Members present: Ms Ololade Adesanya, Ms Julie Goldstein, Mr Andy Poolman (Chair), Mr Stephen Robertson,

In attendance: Mick Axtell (Chief Financial Services Officer), Helen Cole (Senior Governance Officer), Robert Kerse (Chief Operating Officer), Lucinda Parr (Registrar and University Secretary), Jason Smerdon (Group Finance Director), Judith Squires (Deputy Vice-Chancellor and Provost), Professor Evelyn Welch (Vice-Chancellor)

Sarah Purdy (Pro Vice-Chancellor Student Experience) and Paula Coonerty (Executive Director, Education and Student Experience) (via Teams) for item 7 (Strategic Risk Focus: Student Wellbeing)

Internal Auditors: David Broughton (RSM Audit Partner), Tom Loader (Internal Audit Manager),

External Auditors: Colin Bates (PwC Audit Partner), Harsha Vardhana (Senior Manager)

Apologies: Professor Mary Bishop, Dr Madhu Bhabuta

WELCOME AND APOLOGIES

- 1.1 The Chair welcomed members and attendees including welcoming Professor Evelyn Welch to her first meeting of the Audit and Risk Committee, Evelyn was appointed Vice-Chancellor on 1 September 2022.
- 1.2 NOTED that Madhu was stepping down from the Board of Trustees and the Audit and Risk Committee on 31 December 2022 and that Madhu had sent apologies to this meeting. The Chair expressed his thanks on behalf of the executive and the Committee noting in particular Madhu's contributions relating to the implementation of the University's Digital Strategy and in advising the University on its ongoing Cyber Security and Disaster Recovery response.
- 1.3 The Chair reflected that this would be his last meeting of ARC, as he was stepping down on 31 December 2022. Andrew Poolman joined the Board (then Council) in January 2012 and became Treasurer and Chair of Audit Committee in January 2013. NOTED that Ololade Adesanya would become the Chair of Audit and Risk Committee from 1 January 2023. (Note that Ololade would not become Treasurer, the Chair of the Board had advised that another Independent Member would become Treasurer from 1 January 2023.)

2 MINUTES OF THE PREVIOUS MEETINGS

- 2.1 The minutes of the meetings on 27 June and 26 August 2022 were APPROVED as true and accurate record of these meetings.

3 MATTERS ARISING & ACTIONS

- 3.1 NOTED that actions marked as Proposed Closed on the register, in particular 3.2 and 5.6, had actions that the Secretary would continue to take forward.

4 DECLARATIONS OF INTEREST

4.1 There were none.

5 AUDIT & RISK COMMITTEE TERMS OF REFERENCE

5.1 RECEIVED AND NOTED: paper ref: AUD/22-23/002

5.2 With reference to 2.1.6 Subsidiary Companies, AGREED that for clarity these companies should be listed under this section. On 1 August 2022, these were: Bristol Innovations Ltd, Langford Veterinary Services Ltd, NCC Operations Ltd, The Science Research Foundation and The Stables Equine Practice Ltd (not trading).

5.3 APPROVED the Audit & Risk Committee Terms of Reference 2022/23, subject to the above and AGREED to delegate the approval of the final version to the Chair of the Committee.

Action: Secretary and Chair of Audit and Risk Committee

5.4 NOTED that from January 2023, the membership would comprise two Independent Members (Ololade Adesanya and Stephen Robertson) and two Additional Members (Mary Bishop and Julie Goldstein). The Terms of Reference allowed for up to seven members, the addition of new members would be considered by the incoming Chair of the Committee.

5.5 NOTED that at the planning meeting in August 2022, the Committee members had discussed the benefits of holding a planning meeting each year, an away day and an additional meeting. These areas to be progressed by the Secretary and the incoming Chair of the Committee ahead of the next meeting in January 2023.

5.6 The Committee discussed the pros and cons of student membership on Audit and Risk Committees. It was anticipated that at the request of the Vice-Chancellor, Nominations Committee would consider student membership on Board committees over the next year. NOTED that Mary Bishop would be able to advise on best practise within the Higher Education sector in relation to this area.

6 KEY UNIVERSITY RISKS

6.1 RECEIVED AND NOTED: paper ref: AUD/22-23/003

6.2 APPROVED the articulation of the University's risk profile as an accurate representation of the current exposure to, management of, and appetite for risk.

6.3 **REDACTED likely to prejudice commercial interests**

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6.5 **REDACTED likely to prejudice commercial interests**

6.6 **REDACTED likely to prejudice commercial interests**

6.7 **REDACTED likely to prejudice commercial interests**

6.8 NOTED that in June 2023, the Committee would receive a summary of progress on **REDACTED likely to prejudice commercial interests**

6.9 NOTED that a review of the institutional risk appetite had been added to the Board of Trustees schedule for February 2023.

7 STRATEGIC RISK FOCUS: STUDENT WELLBEING (1C)

7.1 RECEIVED AND NOTED: paper ref: AUD/22-23/004

7.2 **REDACTED likely to prejudice commercial interests**

7.3 The Committee noted that the result of a variety of interventions over a sustained period of several years meant that the University was now outperforming other universities in this area. The University was seen as an exemplar of best practise within the HE sector and advice was often sought by other institutions. **REDACTED likely to prejudice commercial interests**

7.4 In response to a question, **REDACTED likely to prejudice commercial interests**

7.5 In response to a question, **REDACTED likely to prejudice commercial interests**

7.6 The Committee reflected on the level of oversight that it should have to manage and remain informed about issues relating to this area. NOTED that regular meetings had been set up for a verbal update, with attendees to include Registrar, Director of Legal Services, Chair of the Board of Trustees, Deputy Chair of the Board of Trustees and Chair of Audit and Risk Committee. **REDACTED likely to prejudice commercial interests**

8 INTERNAL AUDIT PROGRESS REPORT

8.1 RECEIVED AND NOTED: paper ref: AUD/22-23/005

8.2 DISCUSSED the reports from completed audits.

8.3 With reference to the High Priority Actions outstanding **REDACTED likely to prejudice commercial interests** Subsequent to the meeting, the Registrar and the Information Governance Manager & Data Protection Officer provided an update that was shared with the Committee via email.

8.4 In response to a question on **REDACTED likely to prejudice commercial interests**

9 INTERNAL AUDIT ANNUAL REPORT 2021/22

9.1 RECEIVED AND NOTED: paper ref: AUD/22-23/006

9.2 DISCUSSED the Annual Report and CONSIDERED the following key points:

- The annual internal audit opinion is Reasonable for risk, control and governance and Reasonable for economy, efficiency and effectiveness.
- Management have agreed actions to address all findings raised by the University Risk Assurance team during 2021/22. The 4Action system for tracking the completion of internal audit actions has now been embedded and management are engaging with the system.
- Risk assurance have highlighted a number of interlinked organisational challenges at the University, and these are detailed in the report.
- All work from the 2021/22 (subject to agreed changes) was completed and reported within the year.

10 ANNUAL FRAUD REPORT 2021/22

10.1 RECEIVED AND NOTED: paper ref: AUD/22-23/007

10.2 NOTED the actions taken to contain the risk of fraud.

11 VALUE FOR MONEY REPORT

11.1 RECEIVED AND NOTED: paper ref: AUD/22-23/008

11.2 CONSIDERED and APPROVED, subject to minor alterations/ corrections the report for publication within the University's Annual Report.

11.3 The Committee discussed **REDACTED likely to prejudice commercial interests**

12 AUDIT & RISK COMMITTEE ANNUAL REPORT 2021/22

12.1 RECEIVED AND NOTED: paper ref: AUD/22-23/009

12.2 CONSIDERED the Annual Report of the Audit and Risk Committee for 2021/22.

12.3 AGREED that the following amendment should be made:

“7.3 On the basis of the information provided to it, including assurances received from the Vice Chancellor and members of the senior management team, the External Audit Report, the Internal Auditor’s Reports, its discussions with the External and Internal Auditors, the Audit and Risk Committee can ~~confirm~~ report to the Board of Trustees and the accountable officer that it is satisfied that:”

Action: Secretary

12.4 AGREED to DELEGATE AUTHORITY to the Audit & Risk Committee Chair to agree the final version to be presented to the Board of Trustees and the Accountable Officer in response to the Committee’s feedback.

Action: Secretary

13 EXTERNAL AUDIT FINDINGS

13.1 RECEIVED AND NOTED: paper ref: AUD/22-23/010

13.2 DISCUSSED and APPROVED the information presented in the report and confirmed that it was comfortable with the representations proposed, including those in respect of any uncorrected misstatements (there were none).

13.3 In response to a question, **REDACTED likely to prejudice commercial interests**

13.4 NOTED that a Summary paper on recently published proposals aimed at restoring trust in audit and corporate governance would be presented to the Committee in January 2023.

14 ANNUAL REPORT AND FINANCIAL STATEMENTS 2021/22

14.1 RECEIVED AND NOTED: paper ref: AUD/22-23/011

14.2 AGREED to RECOMMEND, subject to 13.5 above, the management representation letter to the Board of Trustees for approval; and

14.3 AGREED to RECOMMEND, subject to minor alterations/ corrections, the approval of the 2021/22 Annual Report and Financial Statements for the year ended 31 July 2022 to the Board of Trustees.

15 ANY OTHER BUSINESS, INCLUDING FORWARD PLAN

15.1 RECEIVED AND NOTED: paper ref: AUD/22-23/012

15.2 NOTED the forward plan.

16 INTERNAL AUDIT PROCUREMENT STRATEGY

16.1 RECEIVED AND NOTED: paper ref: AUD/22-23/013

16.2 **REDACTED likely to prejudice commercial interests**

16.3 **REDACTED likely to prejudice commercial interests**

16.4 **REDACTED likely to prejudice commercial interests**

16.5 NOTED that paper detailing a recommendation would be presented the March 2023 meeting. Audit and Risk Committee would be asked recommend approval to the Board of Trustees.

17 DATE OF NEXT MEETING

17.1 The date of the next meeting was confirmed as Monday 16 January 2023, 1400.