



EXTRAORDINARY MEETING OF AUDIT AND RISK COMMITTEE

TUESDAY 24 OCTOBER 2023, 1430

Via Teams

MINUTES

Members: Ololade Adesanya (Chair), Julie Goldstein, Stephen Robertson

Internal Auditors: David Broughton, Tom Loader

Apologies: Mary Bishop, Colin Bates (PwC Audit Partner), Judith Squires (Deputy Vice-Chancellor and Provost)

Officers in attendance:

Michael Flay (Head of Governance)
Barra Mac Ruairi (Chief Property Officer)
Lucinda Parr (Chief Operating Officer, Registrar and University Secretary)
Clare Smith (Associate Director of Legal Services)
Peter Vermeulen (Chief Financial Officer)
Keith Woolley (Chief Information Officer)
Phil Taylor (Pro Vice-Chancellor, Research and Enterprise)
Shirlene Adam (Interim Group Finance Director)
Rob Logan (Director of Procurement)

Finance and Infrastructure Members in attendance

Linda Fletcher (Independent Trustee)
Nick Joicey (Independent Trustee and Chair)
Jane Khawaja (Professional Services Staff Trustee) until 1530,
Freddie Quek (Independent Trustee)
Jonathan Punter (Additional Member) from 1600
Evelyn Welch, (Vice-Chancellor and President)

- 1.1 The Head of Governance provided an explanation of the rationale for the structure of the two meetings - Audit and Risk Committee (**ARC**) followed by Finance and Infrastructure Committee (**FIC**) over the following two hours noting that the aim was to achieve decision making at speed with the University Executive Board (UEB) having meet on 23 October 2023 and the Board of Trustees (**Board**) scheduled to meet on 25 October 2023.
- 1.2 NOTED the advice from our external lawyers (Veale Wasbrough Vizards) is that the ARC meeting is held first; followed by FIC, each to be two separately held meetings, each meeting all relevant constitutional/procedural requirements, but within the same virtual meeting. Two sets of minutes would be produced, one for each Committee.
- 1.3 During this session, the members of FIC will be 'in attendance' to help understand the deliberations of ARC members in the interest of supporting the expedited timescales of this process. The ARC Chair invites members of FIC to attend the ARC meeting to observe (authority for this is provided in Ord 5.8.3).

- 1.4 The Chair of ARC confirmed that the committee was quorate.
- 1.5 As noted in the Governance Pack circulated on 20 October 2023, ARC was being asked to consider the Isambard-AI project (**Project**) with specific attention to matters within ARC's terms of reference (risk, mitigation, assurance elements) and provide assurance to the Board regarding those matters as they relate to the decisions being put to the Board.
- 1.6 The Chair of ARC noted the specific role of the ARC to review risks and corresponding mitigations and make recommendation to Board in those areas. The Chair noted that ARC had adequate context around Finance risk based on information that has been provided by the executives to discuss recommendations as required by the paper.
- 1.7 NOTED that on 23 October, UEB RECOMMENDED for APPROVAL to the Finance and Infrastructure Committee and the Board of Trustees (with assurance from Audit and Risk Committee) that the University: Proceeds with the Project.
- 1.8 NOTED slide deck from Barra Mac Ruairi (Chief Property Officer) was presented to provide an overview and framing of the current position of the project. Senior Officers provided short summaries of assurance on their particular areas of expertise/ specialisms/responsibility.
- 1.9 **Legally Privileged:** The following areas/ subjects of discussion were covered during the meeting with Officers responding verbally and further responses and clarifications to these queries will be added to the Isambard-AI Questions and Responses Spreadsheet.

[REDACTED likely to prejudice commercial interests]

- 1.10 At the conclusion of the discussion the Chair of the ARC confirmed with the other ARC members that they did not require to conduct further deliberations in the absence of the members of the Finance and Infrastructure Cttee. The Chair of the ARC also asked the Internal Audit team to comment and provide assurance.
- 1.11 In conclusion the Chair of the ARC noted from a risk standpoint that the benefits of progressing outweighed the risks for the University of Bristol, the City of Bristol and the United Kingdom. The Chair of ARC noted that ARC had adequate information in relation to risks: in particular financial and security. The Chair of ARC noted that the Project would continue to evolve and that the ARC should be kept updated and informed. Chair of the ARC confirmed verbally with the two other ARC members present that they were also content (in addition to herself) to recommend as per below, specifically noting that the decision was subject to the outcome of the FIC meeting that followed.

2 Subject to any recommendations made by UEB at its meeting on 23 October, (there were none) the Audit & Risk Committee agreed that at its meeting on 24 October 2023 it had:

- 2.1 REVIEWED the Isambard-Governance Pack and any other relevant supplemental information provided to Audit and Risk Committee prior to or at the meeting with specific attention being given to:
 - 2.1.1 risk exposure and risk mitigation; and
 - 2.1.2 legal and regulatory compliance.

- 2.2 NOTED following the exercise of Chair's Powers under Ordinance 3.10.1 in respect of the Board of Trustees (confirmed by Chair of Audit and Risk Committee and Chair of Finance and Infrastructure Committee) that standstill letters to complete the evaluation process of the bids were issued on 18 October 2023. This is a non-binding step in the process but an important milestone to complete the procurement process steps.
- 2.3 ASSURED the Board of Trustees in respect of those matters above as they relate to the decisions being put to the Board of Trustees for approval at its meeting on 25 October 2023 and specifically in accordance with Audit and Risk Committee's delegated authority in its terms of reference to:
- 2.3.1 review the Isambard-AI Key University Risk Register (KURR) and advise the Board that relevant risks are appropriately recognised, scored and mitigation measures are sufficient as identified in the KURR;
 - 2.3.2 advise the Board that the University's arrangements for risk management as they relate to the Project (as specifically set out in the first line of defence, second line of defence and third line of defence in the KURR and further actions planned) are adequate; (together "risk assurance")
 - 2.3.3 review and advise the Board on the assurances provided by the University's Isambard-AI executive team and specifically within the Isambard-AI Governance Pack including in particular the legal advice obtained (both internal (as summarised in the Legal Summary in section 8) and external (as summarised in the VWV Compliance Report included at Appendix 10a)) in respect of legal and regulatory compliance including procurement; subsidy control; charity law; and compliance with Office for Students (OfS) regulatory reporting requirements (as relevant to the Project) ("compliance assurance").
- 2.4 NOTED the requirement for ongoing monitoring of the University's compliance with the OfS Conditions of Registration and UKRI terms and conditions of funding as set out in the Grant Funding Agreement as they relate specifically to the Project and Audit and Risk Committee's role in providing assurances around the effectiveness of the University's arrangements for monitoring compliance.

Signed: _____

(Chair of Audit and Risk Committee)

Date: _____