

**APPROVED**

**MINUTES OF THE 139<sup>TH</sup> MEETING OF THE AUDIT COMMITTEE HELD ON TUESDAY 25 JANUARY 2022 VIA MICROSOFT TEAMS.**

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**PRESENT:** Professor F Ross (Deputy Chair) D Stanton  
H Owen

**IN ATTENDANCE:** J Cappock, Company Secretary (from Minute 21.39) C Mpofu, TIAA (from Minute 21.39)  
R Poole (Minutes 21.41.6 to 21.4.11)  
D Gibbs, KPMG (from Minute 21.39) D Takodra, TIAA (from Minute 21.39)  
Dr S Jarvis (Minute 21.40) I Wilmot (from Minute 21.39)  
E McMillan, Clerk to the Court

**APOLOGIES:** V Foster F Nieboer, KPMG (attendee)  
J Khan M Smith (Chair)

**21.38 PRIVATE MEETING OF MEMBERS**

- 21.38.1 Members met privately as recommended by the CUC HE Audit Committees Code of Practice.
- 21.38.2 The Clerk to the Court of Governors was present at the private meeting.

**21.39 ANNOUNCEMENTS**

- 21.39.1 The Deputy Chair welcomed members and attendees.
- 21.39.2 Members received apologies as noted above and noted that Deputy Chair Professor Fiona Ross will chair the meeting in the absence of the Chair.
- 21.39.3 No members declared an interest in the business on the agenda.
- 21.39.4 The Chair confirmed there were no requests from members to discuss starred items or to raise matters other than those on the agenda.

**21.40 STRATEGIC RISK DISCUSSION – OBJECTIVE 1 LEARNING AND TEACHING**

- 21.40.1 Dr Sal Jarvis, Deputy Vice-Chancellor (DVC) for Education, presented an overview of the level of risk relating to this strategic objective and how those risks are being managed (Document AUD 220125A).
- 21.40.2 The DVC (Education) confirmed that there is not a specific risk on the Office for Students' consultations on the Teaching Excellence Framework and the B3 ongoing conditions of registration. She noted however that potential outcomes from the consultations are reflected in other risks for the Learning and Teaching objective.
- 21.40.3 The DVC (Education) informed members that risks relating to this objective can be grouped into three key areas and commented on the approach to managing risk in these areas:
- Developing the right portfolio and responding in an agile way to market pressures
  - Curriculum and teaching
  - Student satisfaction and outcomes

- 21.40.4 Members discussed the learning and teaching risk environment with the DVC (Education). The discussion covered:
- Plans to address the impact of the COVID-19 pandemic on learning outcomes, particularly for disadvantaged groups within the student population
  - Use of a gap analysis of the graduate level jobs that need to be filled in London
  - Information provided to prospective students and those who have recently joined the University on the balance between face to face and online teaching
  - Mitigating against any disruption to the regular teaching pattern because of industrial action
  - Employability benchmarks and managing employability risks across teaching and learning and business engagement portfolios
  - Concerns that OfS proposals could narrow rather than widen participation in Higher Education through an absolute baseline for quality that does not recognise societal disadvantages some students face and that they are based on a view that some subject areas (e.g. creative arts and humanities) have less value
- 21.40.5 The DVC (Education) thanked the internal auditors for their work on the Student Voice review, which will be reported to the next Audit Committee meeting.
- 21.41 INTERNAL AUDIT SUMMARY INTERNAL CONTROLS ASSURANCE REPORT**
- 21.41.1 Dakshita Takodra, Senior Internal Audit Manager for TIAA, presented the Internal Audit Summary Internal Controls Assurance (SICA) report (Document AUD 220125B). The report includes an update on emerging governance, risk and internal control related issues, progress against the 2021/22 plan and follow up of recommendations from previous audits.
- 21.41.2 **Graduate outcomes:** Members noted the internal auditor's opinion was reasonable assurance with four important, three routine and one operational action points. Members discussed with the internal auditor:
- the impact of COVID-19 on employability key performance indicators
  - social mobility – not just employability - as a measure of graduate outcomes
  - non-linear routes to a graduate level job
  - external pressure to close courses that are not economically viable
  - the role of values in decision-making about course closures
- 21.41.3 **Payroll:** Members noted the internal auditor's opinion was substantial assurance with four routine action points.
- 21.41.4 **Cash management:** Members noted the internal auditor's opinion was substantial assurance with one routine action point.
- 21.41.5 **AGREED** Members confirmed that days allocated in the 2021/22 internal audit work plan to the Business Continuity Planning (BCP) review can be used for the Cyber Security review follow up that will feed into the annual Head of Internal Audit opinion. Members noted that the BCP review will be considered for inclusion in the 2022/23 internal audit work plan.
- 21.41.6 **Cyber security:** Members noted the internal auditor's opinion was no assurance with four urgent, 18 important, 11 routine and one operational action points.
- 21.41.7 Russell Poole, Director of Information Systems and Support (ISS) joined the meeting and presented an overview of the management response to the Cyber Security review (Document AUD 220125C) including action taken since the review report was finalised and presented to the University Executive Board (UEB).
- 21.41.8 Members heard that there is scope for additional investment and the Director of ISS and UEB will need to consider risk appetite against the cost to mitigate risks and ensure awareness and training across the University. The Director of ISS reported that the UEB view is that this is the most important threat to the ability to deliver education for our students and that there is a point where further investment does not provide improved resistance to the threat, much of which depends on colleague behaviour. Members heard that increased capacity would allow the team

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in ISS to be proactive in addressing cyber security challenges.

21.41.9 Members discussed with the Director of ISS:

- reinforcement of the points of greatest strength against attack (as well as addressing areas of weakness)
- whilst ISS will address the technical elements, this is an issue for all and requires cultural and behavioural change

21.41.10 Members considered there should be a discussion about the cyber security audit and management response at the Court of Governors to ensure institutional risks are understood and to explore resourcing and oversight for this area.

21.41.11 Members noted the intention to broaden membership of the Cyber Security Risk Management Board to include stakeholders outside ISS.

### 21.42 COMPLIANCE UPDATE

21.42.1 The University Secretary and Chief Operating Officer confirmed he had not been notified of any reportable incidents since the last meeting.

### 21.43 MINUTES, ACTIONS AND MATTERS ARISING FROM THE PREVIOUS MEETING

21.43.1 The Deputy Chair confirmed that the minutes of the Audit Committee meeting held on 9 November 2021 (Document AUD 220125D) are an accurate record.

21.43.1.1 **ACTION** Clerk to the Court of Governors to request confirmation of accuracy of the minutes from other governors who were Audit Committee members at the November meeting.

21.43.2 Members received and noted an update on actions from previous meetings (Document AUD 220125E).

21.43.3 **Audit Committee minutes 26 January 2021 (Minute 20.50.1) AGREED** Members confirmed the correction to the minutes (Document AUD 220125E Appendix).

### 21.44 ANY OTHER BUSINESS

21.44.1 The Deputy Chair referred members to a written comment from the External Auditor during discussion of learning and teaching risks highlighting that the University must consider Competition and Markets Authority requirements when managing the portfolio and the importance of a strong understanding of which data points are being considered in league table rankings and by the OfS. The External Auditor noted that it is also important to understand where the University performs either very well or not so well, which can inform discussions with the OfS about performance.

### 21.45 ACTION IN RESPONSE TO SECTOR ISSUES IDENTIFIED BY AUDITORS

21.45.1 Members received an updated summary table of the University's response to the sector issues the University has been advised of by the internal and external auditors (Document AUD 220125F).

### 21.46 DATA RETURN UPDATE REPORT

21.46.1 Members received an update on data submissions to the Office for Students and other bodies (Document AUD 220125G).

### 21.47 FUTURE MEETING DATES

Tuesday 22 March 2022 at 4.30pm via Microsoft Teams  
Tuesday 14 June 2022 at 4.30pm via Microsoft Teams