University of
BRISTOL

MEETING OF THE AUDIT COMMITTEE

MONDAY 27 APRIL 2020

Zoom meeting 14.00 – 16:00

MINUTES

Members Present: Dr Madhu Bhabuta, Professor Mary Bishop, Ms Julie Goldstein, Dr Moira Hamlin, Mr Andy Poolman (Chair), Mr Andy Willis.

In attendance: Mr Mick Axtel (Chief Financial Services Officer, Mrs Helen Cole (Senior Governance Officer), Robert Kerse (Chief Operating Officer), Professor Guy Orpen (Deputy Vice-Chancellor (New Campus Development) at 15:00 for item 8 (Strategic Risk Focus: Temple Quarter Enterprise Campus), Mrs Lucinda Parr (Registrar and University Secretary), Mr Jason Smerdon (Group Finance Director) and Professor Judith Squires (Deputy Vice-Chancellor and Provost)

Internal Auditors: Mr David Broughton
External Auditors: Mr Mark Ellis (PwC), Colin Bates (PwC Audit Partner going forward)

Apologies: None

WELCOME
The Chair welcomed members and attendees. The Chair noted the attendance at the meeting of Colin Bates who would be the PwC Audit Partner going forward. The Chair thanked the outgoing PwC Audit Partner Mark Ellis for his work with the University and wished Mark well in his retirement.

1   MINUTES OF THE PREVIOUS MEETING
1.1   The minutes of the meeting on 20 January 2020 were APPROVED as a true and accurate record of the meeting.

2   MATTERS ARISING & ACTIONS
2.1   AGREED the closure of those actions listed as "Proposed Close" on the Audit and Risk Committee Action Register, with the exception of 4.44. It was agreed that the Committee should have the opportunity to discuss *Risks to Wellbeing of Students* at its meeting on 6 July.

Action: Secretary

2.2   With regard to 13.5, the Committee noted that an internal audit of the entire HR Division would be deferred until Autumn 2020 and agreed that this was still a priority. The deferment would ensure that the University got the most out of the audit in terms of both cash spend and efficient use of staff time.

3   CHAIR'S BUSINESS
3.1   On behalf of the Committee, the Chair thanked University staff for their work in response to the Covid-19 pandemic and praised the quality of the papers provided to the Committee.

3.2   The Committee noted that the number of items for discussion on the agenda had been reduced to ensure a shorter more focused meeting. Committee members were invited to send comments or questions on papers listed in the agenda as "Items for

Feedback in advance of the meeting" to the Chair or the Secretary. The paper authors and sponsors would then provide a response which would be included in the minutes of the meeting.

3.3 At the Chair's invitation, in order to bring the Committee up to speed on the latest developments, the Deputy Vice-Chancellor summarised the actions and ongoing response that the University had made over the previous six weeks to react to the evolving Covid-19 pandemic. In particular the following was highlighted:
- **[REDACTED: likely to prejudice commercial interests].**

4   DECLARATIONS OF INTEREST
4.1   No new interests were declared.

5   STRATEGIC RISK FOCUS: UNIVERSITY RESPONSE TO COVID-19
5.1   RECEIVED AND NOTED: paper ref: AUD/19-20/026

5.2   NOTED the University's response to the COVID-19 pandemic in terms of immediate response and business continuity planning.

5.3   NOTED the high level of risk within which the University was currently operating and agreed that the University was operating with higher level of risk across all six areas.

5.4   NOTED the newly developed COVID-19 Risk Register and report and AGREED the documents, with further refinements planned, would be useful as a management tool and as a means of providing assurance to the Committee.

5.5   AGREED that the paper was sufficient to enable the Committee to PROVIDE ASSURANCE to the Board of Trustees that the University's arrangements for the management of the risks posed by the COVID-19 pandemic are adequate and effective.

5.6   On behalf of the Chair of the Board of Trustees, the Chair of the Committee noted that it was important that the documentation demonstrated that the University placed staff welfare above precisely how staff were deployed. Officers responded that the focus was on supporting staff including wellbeing provision.

5.7   The Committee queried how the Gold command was getting visibility of IT issues that would be critical to continuity. Officers responded that the Silver B group was responsible for IT resilience, and that this group reported UEB/UMT via the Gold Team.

5.8   The Committee noted that a Gold, Silver, Bronze structure was typically only used in situations where a single individual or commander made each decision but that the University was using this structure for teams to make decisions. The Committee queried whether this presented a risk that decisions could not be made quickly enough. Officers responded that decisions had been made quickly when required and that work was now progressing towards embedding gold command into formal decision planning at the University.

5.9   The Committee noted that students had been flexible and relatively satisfied with online provision in the emergency stage of the pandemic but queried whether going forwards they would be likely to be less accepting and asked whether there was a specific plan on managing this. Officers responded that the University would seek to learn lessons from online provision at the close of 2019/20 that could be applied in 2020/21. **[REDACTED: likely to prejudice commercial interests].**

5.10 The Committee queried whether consideration had been given to the issue of the executive team having enough resilience and capacity to continue with the outcomes

of the pandemic beyond their short-term emergency response. The Committee AGREED that a risk should be added to the document that addressed the issue of fatigue amongst the senior executive team. The Officers responded that a schedule of second and third command had been written to cover the absence of senior members of staff and therefore reduce single points of venerability.

Action: Secretary

5.11 The Committee requested that the University's documentation relating to the furloughing of staff be shared with the Committee.

Action: Secretary

5.12 The Committee noted the range of contributions that the University was making towards the national and international response to COVID19 and expressed the view that the role of the University should be more widely publicised. Officers responded that work to further promote the University in this area were ongoing with several initiatives in progress.

6 COO UPDATE REPORT
6.1 RECEIVED AND NOTED: paper ref: AUD/19-20/027

6.2 NOTED and DISCUSSED the financial outlook and mitigating actions the University was undertaking to the impact of COVID-19.

6.3 NOTED the financial and industrial relations risks associated with both the USS and UBPAS pension schemes.

6.4 NOTED the current status of the ongoing industrial disputes with UCU in relation to pay, working conditions and the USS pension scheme.

6.5 NOTED the property cladding and other health and safety issues and the action the University was taking.

6.6 **[REDACTED: likely to prejudice commercial interests].**

6.7 **[REDACTED: likely to prejudice commercial interests].**

6.8 **[REDACTED: likely to prejudice commercial interests].**

6.9 **[REDACTED: likely to prejudice commercial interests].**

7 KEY UNIVERISTY RISKS
7.1 RECEIVED AND NOTED: paper ref: AUD/19-20/028

7.2 NOTED the University's risk profile as articulated through its Key University Risk Register and heat map.

7.3 NOTED the changes to the risk profile since the January 2020 meeting of the Committee.

7.4 The Committee discussed the draft risk appetite statements (Appendix 2) and with the exception of Financial considered them to be appropriate as key tenets of the University's Risk Management Framework.

7.5 **[REDACTED: likely to prejudice commercial interests].**

Action: COO

7.6 **[REDACTED: likely to prejudice commercial interests].**

8   STATEGIC RISK FOCUS: TEMPLE QUARTER ENTERPRISE CAMPUS
8.1   RECEIVED AND NOTED: paper ref: AUD/19-20/029

8.2   The Deputy Vice-Chancellor (Temple Quarter Campus) joined the Committee for this item.

8.3   The Committee discussed the current risk status of the Temple Quarter Enterprise Campus programme. The Committee was assured that management was taking appropriate action with regard to Temple Quarter Enterprise Campus.

8.4   Officers provided a verbal update on the ongoing scenario planning for the programme given the evolving local and national government response to Covid-19 pandemic both in the medium and long-term future. . **[REDACTED: likely to prejudice commercial interests].**

9   INTERNAL AUDIT PROGRESS REPORT
9.1   RECEIVED and APPORVED: paper ref: AUD/19-20/030

9.2   The following points were noted and approved:
- Finalisation of three internal audit reports since January's Committee meeting and completed the fieldwork for a further seven audits (reports currently being finalised with management).
- The implementation of the 4Action system for tracking the completion of internal audit actions is ongoing. Following successful completion of a pilot in November, launch of the solution will occur after Easter 2020.
- To better support the University in managing the risks associated with new ways of working as a result of Covid-19, the Committee approved a revised approach of refocusing the remainder of the 2019/20 internal audit activity on fraud protection and business continuity.
- To enable timely the re-focus outlined above, six audits on the current internal audit plan for 2019/20 would be postponed.

9.3   NOTED that the audit entitled Student Mental Health and Wellbeing that commenced at the end of February 2020 would continue to run through the remainder of the year. NOTED that Student and Staff Mental Health and Wellbeing is discussed further under item 12 and 13.

9.4   AGREED that the scope of the internal audit fraud protection should be expanded to consider the following risks:
- how secure online teaching can be delivered.
- how to ensure that the person who is enrolled is the same person receiving the teaching.
- managing the risk of collusion by candidates; and
- the risk of University content being maligned and/or content interspersed with spurious content.

10   EXTERNAL AUDIT PLAN
10.1   RECEIVED AND ENDORSED: paper ref: AUD/19-20/031

10.2   The Committee CONSIDERED the proposed scope and CONFIRMED that it was comfortable with the audit risks and proposed approach highlighted on pages 4 – 14 of the report.

10.3   The Committee APPROVED the proposed audit fee highlighted on page 17 and NOTED the assessment of independence by PWC.

10.4 NOTED that an Annual Fraud Report would be presented to the next meeting of the Committee.

10.5 AGREED that the following questions relating to fraud that were included in the paper should be discussed further by the Committee at a future meeting.
- "Do you have knowledge of fraud, be it actual, suspected or alleged, including instances involving
- management?
- What fraud detection or prevention measures (e.g. whistle-blower lines) are in place in the University?
- What role do you have in relation to fraud?
- What protocols / procedures between those charged with governance and management keep you informed of instances of actual, suspected or alleged fraud?"

Action: Secretary

11 FINANCIAL PERFORMANCE PACK- FEBRUARY 2020
11.1 RECEIVED AND NOTED: paper ref: AUD/19-20/032

11.2 NOTED the financial performance for the first seven months of financial year 2019/2020 (to 29 February 2020).

12 STRATEGIC RISK FOCUS: STUDENT MENTAL HEALTH AND WELLBEING STRATEGY IMPLEMENTATION
12.1 RECEIVED AND NOTED: paper ref: AUD/19-20/033

12.2 The queries below were submitted by Moira Hamlin via email. The response to each query was written by the Pro Vice-Chancellor (Student Experience) and was approved by the Deputy Vice-Chancellor and Provost.

12.3 *Overall, the paper provides a useful description of activity in this area but in order to understand the extent and effectiveness of services the Committee will look forward to seeing data later in the year.*

Audit Committee will receive the updated Strategic Performance Indicator dashboard in Summer 2020. Secretary to add to forward plan.

Action: Secretary

12.4 **[REDACTED: likely to prejudice commercial interests].**

12.5 *There is a reference to the development of a personal tutor role description. I understood work on defining and refining the role of personal tutors has been under discussion for a number of years. Is this new work or additional work? When is it likely to be completed and actioned?*

The role descriptor is very much a continuation of the work that has been going on over the last few years to clarify and enhance the role of personal tutors. It articulates the responsibilities that are in the Personal Tutoring policy in a clear and unambiguous fashion for both personal tutors and their tutees - a shared understanding about the role will enhance student satisfaction and give clarity of purpose to tutors. The role descriptors are currently being finalised and will be in place by the start of the next academic year.

12.6 *In relation to the point made about resource constraints slowing the ability to increase capacity to investigate allegations of sexual misconduct, this is an area of concern which holds risks of reputational damage as well as having the potential for adverse*

impact on individuals involved.   OfS and the media are very aware and involved here. It may be that the Audit Committee is sighted on data here, I cannot recall.   If not, should the Audit Committee be aware of number of cases, time to investigate, outcomes and have an update in a future meeting?

Data relating to sexual misconduct cases is collated and reviewed by the Secretary's Office. Student Experience Committee receives an Annual Report of Student Disciplinary Proceedings, which includes information about all cases dealt with under the Student Disciplinary Regulations. If the Committee would like to request data, then this should be discussed with the Chair of the Committee and the DVC and/or Registrar.

12.7   **[REDACTED: likely to prejudice commercial interests].**

13   STRATEGIC RISK FOCUS: STAFF MENTAL HEALTH AND WELLBEING STRATEGY IMPLEMENTTION

13.1   RECEIVED AND NOTED: paper ref: AUD/19-20/034.

13.2   The query below was submitted by Moira Hamlin via email.

I think the University needs to be commended for its work in this area, again even more important to look after staff in the current circumstances. A general comment is in relation to all new policy and training areas – is the Executive confident that as well as having an appropriate policy, implementation is robustly rolled out and tracked? One specific example in this paper is on item 3.9 Acceptable Behaviour at Work.   How is awareness of this guidance being taken forward?   How is the University evaluating the impact of the guidance? Is there any training involved and if so, numbers attending?"

13.3   The following response was written by the Chief People Officer and was approved by the Deputy Vice-Chancellor and Provost.

- The University understands the need to further improve the way in which it is able to assess the impact of its staff mental health and wellbeing interventions and support programmes. This should be at the heart of our strategy but also remains something that has been difficult to implement, the most recent plans for a pulse survey that had a significant health and wellbeing element were thwarted due to the onset of the COVID19 pandemic and it will be some time before we can commit to another survey.
- In relation to the specific point Training has been developed for the role out of the Acceptable Behaviour guidance and this was to be delivered at local School and Divisional level, but again the pandemic has curtailed some of the plans, however, there will be some focus on this during Mental Health Awareness Week (18-24 May) which nationally has adopted the theme of kindness and we will be focussing on the following areas during the week: Kindness to self, Kindness to other in the work environment, Kindness in the wider community and Kindness to the environment. Additionally, we are working on having an online programme of activities for staff to access. We will be able to measure the level of engagement in the initiatives across the week with a measure of how people are feeling.
- The guidance document for Acceptable Behaviour at Work was launched in February 2020 to support staff and managers when things go wrong in the workplace or when relationships between staff deteriorate, to avoid these scenarios having a detrimental impact on staff wellbeing. This guidance supports the staff Stand Up/Speak Out initiative hosted by the Diversity and Inclusion Team.
- In relation to measuring general health and wellbeing during the lockdown we are working with our inhouse counselling team and our wellbeing advisors and mental health champions to support staff as needed and to provide interventions (online/ telephone) as needed.

14   OFS COMPLIANCE ASSURANCE INCLUDING: REGULATORY REQUIREMENTS DURING THE CORONAVIRUS (COVID-19) PANDEMIC AND SUMMARY OF COVID-19 REPORTABLE EVENTS

14.1   RECEIVED AND NOTED: paper ref: AUD/19-20/035

15   OFS: REPORTABLE EVENTS (NON COVID-19 RELATED)

15.1   RECEIVED AND NOTED: paper ref: AUD/19-20/036

16   INTERNAL AUDIT: UBGPP PENSIONS REPORT REPORTABLE EVENTS

16.1   RECEIVED AND NOTED: paper ref: AUD/19-20/038

17   UKRI 2019-20 FINAL FUNDING ASSURANCE REPORT UOB

17.1   RECEIVED AND NOTED: paper ref: AUD/19-20/039

18   ANY OTHER BUSINESS INCLUDING FORWARD PLAN

18.1   RECEIVED AND NOTED: paper ref: AUD/19-20/037

19   COMMUNICATION

19.1   The Chair advised the Committee that if they had any comments or questions about the format or frequency of the meetings in the current situation, they should contact the Chair and/ or the Secretary.

19.2   AGREED that an increase in demand on mental health services should be expected in coming weeks and that where possible the University should increase capacity for the future.

19.3   NOTED that on Friday 3 April, the Board of Trustees approved the reappointment of Dr Mary Bishop to Audit and Risk Committee for a second 3-year term from 27 May 2020 to 26 May 2023.

19.4   Mr Andy Willis advised the Committee that he was willing to serve a second 3-year term on Audit and Risk Committee from 27 May 2020 to 26 May 2023. The Secretary to take forward the nomination of Mr Willis.

Action: Secretary

20   DATE OF NEXT MEETING

20.1   The date of the next meeting was confirmed as Monday 6 July 2020.