

BOARD OF GOVERNORS

AUDIT COMMITTEE

Minutes of the meeting held on 7 September 2020

Present

Lisa Greenhalgh	Independent member	Committee Chair
Helen Smallbone	Clerk to the Board	
Kashif Azeem	RSM	Internal Audit representative
Debra Chamberlain	KPMG	External Audit representative
Christine Donnelly	Independent member	
Clive Elliott	Independent member	
Joanne Flitcroft	Independent member	
Lisa Randall	RSM	Head of Internal Audit
Mike Rush	Independent member	

Officers in attendance

John Cater	Vice-Chancellor
Carl Gibson	Director of Finance
Craig Hutchinson-Howorth	Director of Strategic Planning
Steve Igoe	Deputy Vice-Chancellor

Apologies

Louise Robinson	Independent member
-----------------	--------------------

AC.20.002 Declarations of Interest

There were no declarations of interest. The Clerk drew attention to the attendance of two Committee members (Clive Elliott and Joanne Flitcroft) at the last meeting of Resources Committee (15 June 2020). They had attended in the capacity as observers, without voting rights

and did not present a conflict of interest. This was placed on record for the purpose of transparency.

AC.20.003 Chair's Announcements

The Chair referred to the recent publication of NSS results for 2020. She noted that these were generally disappointing and acknowledged that the Vice-Chancellor had made this clear in his communications to staff and governors.

A full discussion would take place at the Board later in the month and departmental and faculty risk registers would be considered at the Committee's next meeting. This should provide assurance that areas are working to ensure that appropriate controls are in place to mitigate the risk of poor performance in the NSS.

AC.20.004 Chair's Action

There was no Chair's Action to report.

AC.20.005 Minutes of the Previous Meeting

Received: Document AC/001/20

The minutes of the meeting held on 8 June 2020 were agreed as an accurate record.

AC.20.006 Action Log

Received: Document AC/002/20

Members received the action log noting that all actions were either implemented or ongoing.

AC.20.007 Matters Arising

There were no matters arising.

SECTION A ITEMS

AC.20.008 Coronavirus (COVID-19) Update Report

Received: Document AC/003/20

The Deputy Vice-Chancellor introduced the update report. This detailed the University's continuing preparations to safely open the campus for the return of staff and students in line with government and Public Health services (PH) guidance.

Noting the substantial amount of information in the accompanying paper and appendices, he summarised that:

- The preparedness update reports confirm good progress with all buildings now open and staff returning on a phased basis
- There are excellent ongoing staff and student communications explaining the work the University is doing and what staff and students can expect on their return to campus
- A substantial range of support tools and assessment templates have been produced to assist staff and students in their return, with particular attention paid to those in the extremely clinically vulnerable group. Individual risk assessments have been undertaken and adjustments agreed in proportion to the circumstances of each case
- The recognised Trade Unions are part of the University's preparedness and Health and Safety Committee meetings, the Students' Union is also included. Staff representatives continue to raise issues with management on the arrangements for opening. A copy of their letter to the Deputy Vice-Chancellor (DVC), and his response (as Chair of the preparedness and health and safety groups) is included in the report and appendices. The Students' Union has been supportive of and complimentary about the University's approach
- The University has gone to extraordinary lengths to ensure that the campus is COVID secure and compliant with expert guidance relating to public health. This will enable staff to deliver the high-quality educational experience that students are contractually obliged to receive

- The Health, Safety and Environment Committee has met to undertake its governance role in overseeing the safe opening of the campus. In particular they have focused on COVID-related issues, policies and matters of interest such as working from home
- The Committee last met on 27 August. It considered a positive report from an external audit on the University's preparedness plans and procedures. It also considered the draft outbreak management plan developed in conjunction with PH Lancashire
- The University has developed an ongoing liaison protocol and continues to work with PH Lancashire and other universities in Lancashire to develop procedures and responses to manage any subsequent outbreaks of COVID-19.

In discussion and questions, members noted:

.01 Approaches to testing. The pros and cons associated with mass testing were discussed, with members noting that the shortfalls of this approach include the possibility of false negatives (failing to detect a condition when it is present) and false positives (detecting a condition when it is absent). The University is engaged in ongoing discussions with local and public health officials about localised testing services which could be available on site for students and the local community. A potential space has been identified, though details (eg how long the facility would be in place and how it would be accessed) would have to be worked through. No decisions have been made, and this remains an area that is subject to ongoing discussion.

.02 Supporting staff to return. A mandatory online training module has been developed to ensure that staff are prepared for and supported in their new environment. To date 86% of staff have completed the training. Where further engagement is required, this is mainly accounted for by leave and furlough arrangements. This is a positive endorsement of staff engagement with and understanding of their new environment.

.03 Delivery models. In the majority of cases universities across the sector will offer a blended delivery model, combining traditional classroom activity with online delivery. The amount of

place-based teaching will depend on an institution's capacity to deliver this activity in a COVID-secure way. The amount of time committed to delivering in-person teaching ranges across institutions, with Edge Hill's baseline being no less than six hours of in-person teaching on campus per week. In a very limited number of cases, some institutions have opted for a wholly online offer. The University understands this to be around two or three of 138 universities that declared their position in a recent poll.

The University developed its approach by balancing a range of factors which aimed to ensure the quality of the student experience in a way our campus and infrastructure could support. Our approach to timetabling has been completely reformed, and the week is now structured around zones which control the number of students scheduled to be on campus at any one stage.

While this remains the University's position as we approach the start of term, the University is awaiting further guidance from the Department for Education. We will ensure compliance with that guidance when it is released. Given the University's substantial work to ensure a COVID-secure environment and delivery model, we expect the guidance will reaffirm the University's current position rather than radically alter it.

The Vice-Chancellor remains in regular contact with Universities UK and with other vice-chancellors to understand what other universities are doing. Along with the senior management team, he will continue to monitor the approach in line with government and regulatory guidelines.

04. Academic governance and student experience. A significant part of the summer months were spent undertaking rigorous development and validation of programme delivery arrangements for 2020/21.

To maintain the quality of the student experience, we have supported staff to ensure the blended approach is positively perceived. Staff are focused on the opportunity for innovation and how they can best use online delivery to support students. This work has been overseen by a specialist group providing technical advice and guidance to colleagues as they prepare for delivering large scale academic experiences online.

Arrangements are being reviewed in detail at an operational level within faculties and the University is confident of the governance and the quality structures in place. We have also invested in resources to ensure the requisite infrastructure is in place to facilitate teaching and learning.

An internal audit of academic governance arrangements will commence at the end of September. This should provide the Audit Committee with assurance about the level of rigour in the University's academic governance processes.

The University recognises there could be teething problems for some students as they adjust to the new environment. Staff will be alert to this need and available to support students make this transition. The University's early experience of major online delivery (ie that forced by lockdown) resulted in positive feedback from students. However, we will ensure that pulse surveys – which provide snapshots of the student experience – are coordinated to gain maximum effect in the autumn.

The Chair then referred to the internal audit representatives and enquired whether in their experience, there was anything obvious the University had not addressed, or any other areas audit committees are exploring.

The Head of Internal Audit (LR) stated unequivocally that Edge Hill's approach was robust, and that in her opinion the University had taken every consideration into account. This was evident in the comprehensive reports considered and full discussions she had observed. When compared to her experience of other organisations (inside and outside the sector) she confirmed Edge Hill's approach to be exemplary.

The Coronavirus (COVID-19) Update Report was noted.

AC.20.009 Internal Audit Reports

Received: Document AC/004/20

.01 UUK/GuildHE Code of Practice for the Management of Student Housing

The Head of Internal Audit (LR) introduced the report on this audit, which tested the University's compliance with the above code of practice (the Code). This requires all areas to be reviewed by internal audit over a three-year cycle. This review is the second year of the

current cycle to test compliance with the Code, and attention focussed on those areas last reviewed approximately three years ago. These are:

- environmental quality
- anti-social behaviour and disciplinary procedures

Overall the **audit provided Substantial Assurance** with no recommendations for management action. The positive report identified good practice, and the University's approach to monitoring its ongoing compliance through a central master sheet was commended.

.02 Student mental health

LR introduced the report on this audit, which was designed to evaluate the University's framework regarding mental health interventions.

Overall the **audit provided Substantial Assurance** with one Medium and one Low priority recommendation for management action. The Medium action concerned the University's Safeguarding Policy, which had not been updated in line with the agreed schedule. The Low priority action recommended the University develop an implementation plan to record and monitor the 'what we will do next' objectives included in the Student Mental Health and Wellbeing Strategy. Both recommendations have been accepted by management and will be taken forward.

The Committee raised concerns about the implications of the Safeguarding Policy being out of date and asserted that the proposed deadline (30 November) was not swift enough. In response, members noted that this date had taken account of the next meeting of Academic Board, when the updated policy would be presented. The Vice-Chancellor suggested that, as Chair of Academic Board, he could take Chair's Action to approve the updated policy as soon as it was available. Members agreed with this suggestion. The Vice-Chancellor indicated that he believed the policy did not require material changes, but he would seek urgent clarification on this.

Action: Director of Student Services/Vice-Chancellor

Regarding the Low priority action, members questioned the feasibility of the implementation plan being effective in 2020/21 if it is not agreed until late November. Management colleagues confirmed that substantial work had already happened to implement the provisions of

the strategy. The action reflected an enhancement project to consolidate planning which was already in progress.

A query was then raised regarding the overall judgement of Substantial Assurance being given, in light of the underlying recommendations. The internal audit representative (KA) confirmed that the two items did not detract from RSM's overall opinion on the robustness of arrangements for the primary purposes of the review. He explained that the substance of the safeguarding policy had not been questioned, rather it was the date for review of itself that presented the issue. Similarly, as outlined by management colleagues, the action relating to the implementation plan sought to enhance practice rather than identify a deficiency in meeting core requirements.

In view of KA's assurances, members were content to accept the report and its conclusions.

[Clerk's note – on the evening of the Audit Committee, the Director of Student Services was contacted and updated about the Committee's concerns. The Director of Student Services confirmed there were no material concerns about the policy and that there would not be any material changes in the update as the policy remained appropriate and fit for purpose].

.03 IT health check

LR introduced this report, noting that the review was commissioned to assess whether information systems are protected from risks of disruption, unauthorised access and data loss.

This audit was advisory and therefore did not include an assurance opinion. Individual actions were, however, recommended in the normal way, with five Low and one Medium priority actions agreed. The Medium action concerned ensuring that systems administrators have two accounts to ensure that highly privileged rights are only available when necessary. The Low priority actions concerned work to:

- strengthen the arrangements for access when staff transfer roles within the organisation (x 2 actions)
- review the University's policy position regarding web-content-filtering to ensure it remains current
- ensure the University's IT/cyber incident management processes are well communicated to staff
- review password criteria and controls

Notwithstanding the individual observations made and accepted by management, LR referred to the conclusion that a range of controls exist which are designed to protect the University's information systems. Numerous points of good practice were observed.

In response to questions, the following points were noted:

- The University has previously addressed any issues concerning access rights for starters and leavers. Adding internal movers to this list should mean there are no further issues in this sphere
- The University's firewall was updated less than 12 months ago, with input from external consultants. In terms of governance arrangements, the Information Strategy Group oversees this executive work led by the Deputy Vice-Chancellor (DVC) and the Director of IT Services
- Many University systems use a single user sign on, which means there can be a synchronisation issue and use of the Active Directory remains subject to review. The University has worked on the use of multi-factor authentication including passwords and password security. This remains subject to review both internally and with external providers
- Working from home was a temporary arrangement agreed in response to the unique circumstances presented by the national lockdown. While it is not a permanent arrangement, the University's Health, Safety and Environment Committee has ensured the University's Wiki pages were fully updated in terms of guidance on remote working. This has been promoted to all staff. A small number of staff requested tools to support them to work at home, and where necessary the University arranged this. The University has, however, dealt with this very much from a health and safety, and wellbeing perspective rather than an IT perspective.

In concluding the discussion, the DVC noted the thoroughness of this review, and thanked RSM and the IT Department for their work in such difficult circumstances.

.04 OfS Compliance Assurance framework

LR introduced the report on this audit, which had been undertaken to assess the University's OfS Compliance Assurance framework,

taking into account the temporary revisions to the OfS requirements during the coronavirus (Covid-19) Pandemic.

Overall the **audit provided Substantial Assurance** with no recommendations for management action.

Members noted this was an incredibly positive outcome given the wide scope of the review, and commended the detailed documentation in support of the findings.

.05 Follow up report

KA introduced the report which updated the Committee on the progress made against management actions agreed in the previous year. He highlighted that all 18 management actions were now complete.

Members noted the success of the action tracking system implemented in 2019.

The internal audit reports were received.

AC.20.010 Internal Audit Annual Report

Received: Document AC/005/20

LR introduced the annual report.

It was confirmed that the internal audit opinion for 2019/20 is that Edge Hill had an adequate and effective framework for risk management, internal control, governance, and economy, efficiency and effectiveness. This is the most positive rating that can be given.

LR noted that the Committee had considered the positive assurance of all the underlying assignment reports and commended the University for its work to achieve this. She observed that it is rare for RSM to consistently record such positive findings, and commended the University for its developmental enquiries and culture of continuous improvement which is clearly very well embedded.

Members noted these comments were consistent with the reports and feedback received during the year. In particular they reflect the

Committee's views on the adequacy and effectiveness of the University's arrangements in 2019/20.

It was observed that management had not met the target of ten days for responses to be submitted to RSM. LR confirmed that there were no issues raised from RSM's perspective. Delays concerned a limited number of assignments, and can be accounted for by a key staff member being on holiday or where workloads were pressured due to the impact of the pandemic. On occasion, the need for follow up investigative work may require input from more than one executive lead and coordinating availability means this can take time.

The Chair noted that this issue had been raised last year. She enquired whether the timeframes were realistic or whether adjustment was required. Committee members noted they would support a relaxation of the target if required. The DVC indicated that he was content with the 10 days given as it focuses the need to close down actions in a timely way. He also noted that the reviews and responses he had witnessed were high quality, and he did not want to impact this by relaxing timeframes. He acknowledged this may mean the end of year report noted some slippage in meeting targets. **The DVC suggested he work with RSM to better understand the underlying cause of any delays and report back to the Committee only if there was anything significant to note.**

Action: DVC

The Internal Audit Annual Report 2019/20 was received.

AC.20.011 Fraud and Irregularity/Serious Incident Statement

The DVC reported that he was not aware of any irregularities or serious incidents to bring to the Committee's attention.

He highlighted that RSM had received a notification in July which purported to be a whistleblowing complaint. Thorough consideration and liaison with LR revealed the matter to be a commercial disagreement which would be investigated under the appropriate process. The substance of the issue was not relevant for the Committee to consider, but for the purpose of transparency members were updated since the Whistleblowing Policy had been triggered, albeit incorrectly.

SECTION B ITEMS

AC.20.012 Internal Audit Progress Report

Received: Document AC/006/20

LR introduced the report noting that audit work for 2019/20 was complete and RSM was now focussed on assignments for 2020/21.

The accompanying report highlighted changes to the timing of some reviews including academic assurance and estates management compliance, which were brought forward.

Members noted that the changes have brought priority work forward and have also taken account of key staff who had rearranged schedules and workloads in response to the pandemic.

The Progress Report was received.

AC.20.013 Audit Committee: Schedule of Business 2020/21

Received: Document AC/007/20

The Clerk introduced the paper indicating that aside from updates relating to COVID-19, the plan followed the standard approach. She highlighted the following points:

The University had been afforded some additional flexibility this year and the impacts of the pandemic meant the accounts could be filed later than usual. Management's proposal was to stick to the standard timeframes, although some flexibility may be required and the Committee would be advised if that became necessary.

The Committee of University Chairs (CUC) has released an updated Code of Practice for audit committees. The Clerk will undertake an analysis of this work and bring the findings and any recommendations for action to a future meeting.

The Schedule of Business 2020/21 was approved.

AC.20.014 Any Other Business

There was no other business.

SECTION C

AC.20.015 Schedule for Data Returns

Received: Document AC/008/20

The schedule for data returns was noted.

AC.20.016 Schedule for Policy Approval (2020- 2022)

Received: Document AC/009/20

The schedule for policy approval covering the period 2020 to 2022 was noted.

AC.20.017 Date and time of next meeting

The next meeting of the Committee is scheduled for 2 November 2020.

In-camera session

Following the conclusion of scheduled business, independent members held a private meeting with the internal and external auditors which is minuted separately.