

**AUDIT COMMITTEE  
 AGENDA  
 Thursday 6<sup>th</sup> February 2014 at 3pm (Room 115)**

**Please note the revised start time for this meeting**

<b>I</b>	<b>Minutes</b> To approve: minutes of the meeting held on 7th November 2013	[Attached]
<b>II</b>	<b>Action Points</b> MIN 5 - Revisions to internal audit reporting MIN 6 - Internal Audit – Student experience report	[Oral Updates]
<b>III</b>	<b>Matters Arising/Matters for Report</b>	[Oral Updates]
<b>IV</b>	<b>Deep Dive Review: UKBA</b> To note	[Oral Update]
<b>V</b>	<b>Governing Body's oversight of the Students' Union</b> To approve	[Appendix A, Annex A]
<b>VI</b>	<b>Risk Register</b> To consider	[Appendix B, Annexes A, B & C]
<b>VII</b>	<b>Comparison of risk/assurance framework to other sectors</b> To consider	[Appendix C]
<b>VIII</b>	<b>Internal Audit</b> To receive: Progress report and recommendation tracker	[Appendix D]
<b>IX</b>	<b>Internal Audit</b> To receive: Progress report of student union review	[Appendix E]
<b>X</b>	<b>Internal Audit</b> To receive: Data Quality – Student Attendance	[Appendix F]
<b>XI</b>	<b>HESES/HESA Reconciliation</b> To receive	[Appendix G, Annex A]
<b>XII</b>	<b>Procedure for SNC Assessment Process</b> To approve	[Appendix H, Annex A]

**SOAS, University of London**

**AUDIT COMMITTEE**

**Thursday 6<sup>th</sup> February 2014**

**CONFIDENTIAL MINUTES**

Members: Steve Tinton (Chair)  
Charles Ilako  
Andrew Popham

In attendance: Graeme Appleby (Acting Registrar)  
Barry Douglas (Acting Director of Finance & Planning)  
Chris Ince (Acting Secretary, Secretary to Audit Committee)  
Julia Rank (KPMG – Internal Auditors)  
Neil Thomas (KPMG – Internal Auditors)  
Paul Webley (Director)  
Peter Mitchell (for Minute 25)  
David Christmas (for Minute 25)

Apologies: James Aston (BDO – External Auditors)  
Donald Beaton (Registrar & Secretary)  
Rosna Mortuza

**22. Minutes**

The minutes of the meeting on 11<sup>th</sup> November 2014 were **approved**.

**23. Action Points**

(i) MIN 5 – Revisions to internal audit reporting

The Committee **noted** that the format of the internal audit reports had been changed to include any other committees that should receive a report for information.

(ii) MIN 6 – Internal Audit: Student experience report

The Committee **noted** that the final report including the management responses had been circulated.

(iii) MIN 12 – Annual plan of work

The Committee **noted** that the first deep dive review, on the UKBA, was on the agenda. Future topics such as business continuity or IT risks would be agreed with the Chair.

**24. Matters arising/matters for report**

(i) External auditors

The Committee **noted** that the current HEFCE guidance allowed for the external audit contract to last for 7 years before retendering. This guidance was under review and it was possible this might be extended to 10 years.

The Committee **agreed** that the appointment of BDO would be approved for the 2013/14 audit subject to a fee being agreed and the provision of documentation on the quality of service. The tender process for the external audit contract would commence in autumn 2014

unless the guidance on the maximum contract period was changed, in which case the Committee would review the position.

#### **25. Deep Dive Review: UKBA (Oral Update)**

The HR Director and the Director of Student & Registry Services **reported** on the School's arrangements to meet its obligations in respect of visas awarded to overseas staff or students. The UKBA had now been split in to two separate agencies, one looking at immigration and visas and the other looking at immigration law enforcement.

Staff members were required to submit individual visa applications with a cap of around 1500 being approved each month across the whole of the UK. The School had supported 82 Tier 2 applications since 2009 and around 70 of these had been granted. The School was required to check the documents of all staff before the start of their employment and had various reporting requirements. Overall this was a low risk area.

Student Tier 4 visas were required for all study over 6-months and the School had held a licence and highly-trusted status since 2010. Around 1400 sponsorship certificates were issued each year with 1000-1100 enrolments, as students could obtain certificates from more than one institution. The number of visas refused was less than 4% which was significantly below the threshold for any concern. The School had been inspected twice with no major issues identified.

The Committee **noted** that the School had an attendance monitoring system in place, which would be the subject of an internal audit report discussion later on the agenda. The system met the School's visa monitoring obligations but could be more efficient. Currently it required a manual audit of data each February, a copy of which would be provided to the Committee.

The School had initiated two projects, around attendance monitoring and enrolment, which would improve the processes in this area and provide better data. This would also allow the School to produce regular reports for personal advisers and better support the wider issue of student engagement. A report on this work would be made to the Audit Committee at the appropriate point.

#### **26. Governing Body's Oversight of the Students' Union (Appendix A)**

The Committee **noted** the report, which provided details on how Governing Body discharged its responsibilities in respect of the Students' Union. These related to old legislation prior to students' unions registering as separate charities and it was anticipated any future HE legislation would address this. The Acting Secretary **reported** that a working group was looking at a review of the existing governance arrangements between the Students' Union and the School.

#### **27. Risk Register (Appendix B)**

The Acting Secretary **reported** on the latest version of the School's Risk Register and the changes that had been made.

The Committee **noted** that the Executive Board would be reviewing the risks in detail before the next Committee meeting. It would look at how the risks were monitored and the balance between reactive and positive mitigating actions. It would also look again at the gross, current and net risk assessments and how they linked with the overall risk appetite. As previously discussed, Executive Board would also be considering the inclusion of a risk looking at future strategic developments.

The Committee **agreed** the register's purpose was to provide appropriate assurance that the risks were being adequately managed. The risk around the School's cost base should include reference to the School's pension scheme liabilities.

**28. Comparison of risk/assurance framework to other sectors** (Appendix C)

KPMG **presented** examples of different risk and assurance frameworks. The Committee **agreed** that the existing format was satisfactory but that the Executive Board should look at how the register could identify the key components that needed to be covered in more detail in the relevant sub-registers.

**29. Internal Audit: Progress report and recommendation tracker** (Appendix D)

The Committee **noted** the progress report on management responses to internal audit recommendations. The only outstanding recommendation of high priority related to the School's sickness absence policy and required further negotiation with the Trades Unions.

**30. Internal Audit: Progress report of Student Union review** (Appendix E)

The Committee **noted** the progress report and that the Students' Union would be taking a decision on a wider implementation of an EPOS system before the end of the academic year.

**31. Internal Audit: Data Quality – Student attendance** (Appendix F)

KPMG **reported** that, as discussed earlier on the agenda, the audit had identified satisfactory arrangements were in place to provide the Committee with the necessary assurance. However, these systems could be made more efficient as currently it required manual work to confirm the School was meeting its Tier 4 visa obligations.

The Committee **noted** that the sample size reviewed was not intended to be statistically significant but did provide overall assurance on data quality and the checking of the controls in place.

The Committee **discussed** the wider issue of the duty of care the School had to its students as the manual work discussed only covered Tier 4 visa students. The personal adviser system provided support to all students and the area of guidance and pastoral support was one the School would continue to make improvements in. The Committee suggested pastoral support was an issue for discussion with the wider Governing Body at one of its informal meetings.

**32. HESSES/HESA Reconciliation** (Appendix G)

The Acting Registrar **reported** that the assumptions were made on the same basis as in the previous year. The Director **reported** that he discussed the return in detail with the Head of Planning prior to signing it for submission to HEFCE.

**33. Procedure for SNC Assessment Process** (Appendix H)

The Committee **noted** the methodology for the assessment process. It was important for the School to get this correct as any errors could lead to an adjustment of its funding grant from HEFCE.

**34. Date of next meeting:**

The Committee **noted** the next meeting would take place on Thursday 29<sup>th</sup> May 2014 at 10am.

### AUDIT COMMITTEE: Action Points

<b>Minute</b>	<b>Item</b>	<b>Action 2013/14</b>	<b>Deadline for report to AC</b>	<b>By</b>
23(iii)	Annual Plan of work	Agree future deep dive reviews	29/5/14	ST/CI
25	Deep dive – UKBA	Report on SRS audit of student engagement data	29/5/14	CI
25	Deep dive – UKBA	Report on Attendance Monitoring and Enrolment projects	October 2014	CI
27	Risk register	Review of risk register format and content	29/5/14	CI/GA
28	Risk framework	Risk register to identify components for sub-registers	29/5/14	CI/GA
31	Student attendance	Inclusion of discussion of pastoral support at informal GB meeting	May 2015	CI