AUDIT COMMITTEE
AGENDA
Thursday 5th February 2015 (Room 115) 10.00am

I	**Minutes** To approve: minutes of the meeting held on 6th November 2014	[Attached]
II	**Action Points**	[Oral Updates]
III	**Matters Arising/Matters for Report**	[Oral Updates]
IV	**External Audit Tender *** To approve	[Appendix A] * only available to Audit Committee Members
V	**Internal Audit Tender** To consider	[Oral Update]
VI	**CUC Code of Practice** To consider	[Appendix C]
VII	**Risk Register** To note	[Appendix D]
VIII	**HESES14 Audit Report** To receive	[Appendix E]
IX	**Internal Audit - Progress Report and Recommendation Tracker** To consider	[Appendix F]
X	**Internal Audit – Examinations Audit Report**** To consider	[Appendix G] **Management Responses to Follow

SOAS, University of London

AUDIT COMMITTEE

Thursday 6th November 2014

Members:	Steve Tinton (Chair)
	Charles Ilako
	Andrew Popham
In attendance:	Graeme Appleby (Director of Finance & Planning)
	James Aston (BDO – External Auditors)
	Chris Ince (Secretary to Audit Committee)
	Paul Webley (Director)
Apologies:	Rosna Mortuza
	Laura Gibbs (Registrar)
	Neil Thomas (KPMG – Internal Auditors)

16. **Minutes**
The minutes of the meeting on 2nd October 2014 were **approved** as an accurate record subject to the removal of an erroneous "The Committee agreed" in the second paragraph of Minute 10.

17. Action Points
The Committee **noted** that all those due for report had been completed, or were on the agenda for the meeting.

18. Matters arising/matters for report
There were no other matters for report.

19. Risk Register Update (Appendix A)
The Secretary **reported** on the formal update of the Risk Register for the first term. The risk register had been discussed in detail, along with the supporting sub-registers, by the Executive Board. The major risks were highlighted in the register and it showed these both before and after proposed actions. The paper proposed a new format for the Register that improved the presentation and made it a simpler task for staff to update risks and related actions. The Committee **endorsed** the new format for future updates and then **discussed** the content in more detail.

The Committee **noted** that the actions listed needed to provide it with assurance that they would deliver the improvement in risk rating that was shown. Although the information

represented a static snapshot it could still be forward looking and it was possible that for some of the risks the timeframe for the actions would need to be reviewed to cover a longer period.

The Committee **agreed** that the change log was a useful mechanism for showing any change in the risk over time but the format for how this was presented should be changed to better reflect this approach.

It was **agreed** that the next review of the Register by the Executive Board would consider the overall risk profile and that all reasonable actions were reflected and took a proactive approach to the management of risk. The risk on Value for Money would be considered for incorporation in to another risk as this was now well managed

20. Executive report of the External Auditors for Recommendation to Governing Body (Appendix B)

The External Auditors **reported** that there were a small number of matters outstanding but it was anticipated these would all be complete in advance of the Governing Body meeting on 27 November. Overall the External Auditors had no issues to raise in the representation letter and the accounts were well prepared and discussions with the School had been straightforward.

The Committee **discussed** the significant areas of risk that had been reviewed by BDO as part of the external audit; the teaching grant, revenue recognition, management override and the School as a going concern. The Committee **agreed** that a note would be included in the Financial Statements to reflect in the adjustment to the 2012/13 teaching grant. The External Auditors were satisfied with the School as a going concern but the Committee **agreed** that the Honorary Treasurer would be asked to comment on this in respect of the Financial Forecasts and cash flow at the Governing Body meeting.

The report contained four recommendations, which was not unreasonable for the size of the institution. Although one of these was high priority, relating to how credit card data was recorded, it was easily addressed. Management action had already been taken to correct the problem and the Finance team would be delivering further training in this area to supplement the School's existing training on information compliance.

The Committee **noted** the treatment of heritage assets and that the School had a number of places these were recorded rather than in a single central register. The treatment of these and how they were reflected in the Financial Statements would be reviewed for the final version.

The Committee **noted** that it would discuss at the May meeting how the accounting of the USS pension deficit might need to be dealt with in the future.

21. SOAS draft Financial Statements (Appendix C)

The Committee **noted** a number of minor changes to the Financial Statements including the need for an executive summary at the start of the Operating & Financial Review and a list of the School's key risks. It **agreed** to recommend the Financial Statements to Governing Body and that the covering paper would draw members' attention to the statement of responsibilities.

The Committee **noted** the Financial Statements reflected the benefits in kind provided to the Students' Union and agreed that it should be asked to include them in its accounts.

22. SOAS draft Annual Report (Appendix D)
The Committee **noted** the draft copy of the Annual Report. The document summarised the work of the School for the 2013/14 academic year and provided context for the Financial Statements.

23. Audit Committee Annual Report (Appendix E)
The Committee **approved** its Annual Report for submission to Governing Body, subject to a number of minor changes.

24. Value for Money Report (Appendix F)
The Committee **approved** the Value for Money Report for inclusion as an annex to its Annual Report.

25. Date of next meeting:
The Committee **noted** the next meeting would take place on 5th February 2015.

AUDIT COMMITTEE: Action Points

Minute	Item	Action 2014/15	Deadline for report to AC	By
10	Internal audit – governance	Deep dive review of performance indicators	Oct 15	CI
10	Internal audit – governance	Review of progress against recommendations	28/5/15	KPMG
14	HEFCE review of KIS data	Inclusion of recommendations in tracker	5/2/15	KPMG
19	Risk Register	Change in presentation of changelong	5/2/15	CI
19	Risk Register	Review of overall risk actions and possible removal of VfM risk	5/2/15	CI
20	External Audit	Review of heritage asset treatment in Financial Statements	27/11/14	GA / BDO
20	External Audit	Note in Financial Statements on adjustment to 2012/13 teaching grant	27/11/14	GA
20	External Audit	Honorary Treasurer to comment on School as a going concern	27/11/14	CI / GD
20	External Audit	Discussion on accounting treatment of USS deficit	28/5/15	GA
21	Financial Statements	Benefit in kind to be reflected in SU accounts	27/11/14	CI

CUC – HIGHER EDUCATION CODE OF GOVERNANCE

The Audit Committee is asked to **comment** on the issues raised in the paper

Executive Summary

The new Code of Governance for the HE sector has been published by the CUC. This makes a number of changes that the Audit Committee along with Governing Body will need to consider.

A formal paper will go to Governing Body at its meeting in April.

Recommendations

To note and comment on the paper

Financial Impact

No direct financial impact.

Risks

The format of the Code requires the School to "apply or explain" the Code. Therefore there is a risk that if the School does not fully apply the measures outlined then any explanations may not meet the satisfaction of CUC.

Governing Body and its Committees will need to evaluate the implications of any new work required to meet the requirements within the Code.

Equality implications

Governing Body (and its committees) will need to review its practices, especially in respect of recruitment, to ensure they meet the requirements of the Code.

CUC HE Code of Governance

Introduction

1.   At the end of December 2014 the Committee of University Chairs (CUC) published its revised Code of Governance for the HE sector. This had been developed following extensive consultation over the last two years and on its draft issued in February 2014. The final version can be found online at:

http://www.universitychairs.ac.uk/wp-content/uploads/2014/12/Published-Version.pdf

2.   A key aim of the new Code is to preserve institutional autonomy and the need for any additional regulation by assuring HEFCE and the Government that the sector is well governed. The Code has an "*apply or explain*" approach and institutions have to agree to the Code to remain members of the CUC. The Code details areas where an institution "*must, should or could"* have various measures in place.

3.   The Code is then broken down in to three parts – Eight core values, seven primary elements to deliver these and then illustrative guidance. This guidance is expected to be released in stages, with the first relating to the operation of remuneration committees.

4.   The School's external auditor, BDO, has produced briefing notes for clients at various stages during the development of the Code. The latest of these was issued on 4 January 2015 and is appended to this document. The Audit Code of Practice is yet to be updated to reflect any changes to FRS102 and SORP.

The Code

5.   The Code contains eight core values that the Governing Body will be required to commit to:

- *Autonomy as the best guarantee of quality and international reputation*

- *Academic freedom and high-quality research, scholarship and teaching*

- *Protecting the collective student interest through good governance*

- *The publication of accurate and transparent information that is publicly accessible.*

- *A recognition that accountability for funding derived directly from stakeholders requires HEIs to be clear that they are in a contract with stakeholders who pay for their service and expect clarity about what is received.*

- *The achievement of equality of opportunity and diversity throughout the institution*

- *The principle that HE should be available to all those who are able to benefit from it*

- *Full and transparent accountability for public funding*

6.   The Code then identifies elements that underpin these core values and develops each one in more detail along the apply or explain approach as detailed earlier in the paper.

The governing body is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit.

The governing body protects institutional reputation by being assured that clear regulations, policies and procedures that adhere to legislative and regulatory requirements are in place, ethical in nature, and followed.

The governing body ensures institutional sustainability by working with the Executive to set the institutional mission and strategy. In addition, it needs to be assured that appropriate steps are being taken to deliver them and that there are effective systems of control and risk management.

The governing body receives assurance that academic governance is effective by working with the Senate/Academic Board or equivalent as specified in its governing instruments.

The governing body works with the Executive to be assured that effective control and due diligence take place in relation to institutionally significant external activities.

The governing body must promote equality and diversity throughout the institution, including in relation to its own operation.

The governing body must ensure that governance structures and processes are fit for purpose by referencing them against recognised standards of good practice

Actions required

7.   An initial review of the detail accompanying each of these elements has identified a number of areas where Governing Body or its committees are likely to have to undertake further work:

- Review and further development of due diligence processes (GB)
- Assurance on application of policies and procedures (AC)
- Ethics/CSR framework (GB)
- KPI on environment (GB)
- Formal report to GB from SSRC (SSRC/GB)
- Policy review (AC/GB)
- Pensions deficit (AC)
- AC effectiveness review (AC)
- Formal delegation for internal audit plan to AC (AC/GB)

8.   A formal paper will be prepared for the April meeting of the Governing Body so that any necessary actions can be implemented. As the new Code has been introduced mid academic year it is unlikely that the School will have to be fully compliant until reporting in the 2015/16 accounts.

Chris Ince
Secretary

CUC: The Higher Education Code of Governance
Briefing note for clients
4 January 2015

Further to the CUC consultation on the Higher Education Code of Governance in February 2014, the CUC Higher Education Code of Governance ('the Code') has now been finalised and issued (December 2014, http://www.universitychairs.ac.uk/wp-content/uploads/2014/12/Published-Version.pdf).

This briefing note draws attentions to key matters which are new, novel or will need working through. This note should be read in conjunction with the Code. This paper has been drafted to assist our clients in working through key areas and in understanding some of the contextual background to what is in the Code and what is absent (opportunities lost).

Before coming to the content, the most notable difference from the last Code (issued in March 2009) is the volume, dropping from 153 pages to just 29. The draft Code trailed this:

> "Whilst members of the CUC will recognise many of the provisions of the Code from previous versions, stylistically the revised code is substantially different and it is now much more concise in its expectations taking the form of numbered points rather than narrative text. This is designed to make the Code more accessible to members of governing bodies and stakeholders by shining a spotlight on the high standards of governance already practiced and widely evidenced"

However, the Code needs to be read in conjunction with other documents. The Code cross references:

> "In addition, the CUC website holds detailed briefing papers providing extensive coverage of areas of concern to governing bodies, alongside illustrative practice drawn from across the sector on how institutions are meeting governance challenges". At one level, the principles are emphasised but the details still need reviewing – the best example is the CUC Handbook for Audit Committees which is referenced in both the Code and the MAA [Memorandum of Assurance and Accountability] as 'best practice' – there is no single source document".

The Code is in three sections:
1. An initial statement of the core values
2. Identification of seven primary elements
3. More detailed consideration of the primary elements

Apply or explain

The first section recognises that the code "in a literal sense" is voluntary. There is an expectation of "apply or explain".

HEFCE's Accounts Direction for 2014/15 (http://www.hefce.ac.uk/pubs/year/2014/cl252014/name,87933,en.html) states (noting this was issued before the new Code came out):

> "The voluntary Governance Code of Practice contained in the Committee of University Chairs' 'Guide for Members of Higher Education Governing Bodies in the UK' (HEFCE 2009/14) recommends that HEIs report in the corporate governance statement of their annual audited financial statements that they have had regard to the code, and that where an HEI's practices are not consistent with particular provisions of the code an explanation should be published in that statement.

Adopting this code of practice, with the principles of the code adapted to each HEI's character, is an important factor in enabling HEFCE to rely on self-regulation within HEIs, and hence minimise the accountability burden".

Application of the Code provides a source of assurance to stakeholders and should enhance their confidence on corporate governance arrangements.

The language in the Code is interesting and has moved on both from the 2009 Code and the consultation draft. An institution should:

"explain where it considers a whole primary element or supporting 'must' statements inappropriate. In such cases the rationale should be clearly noted and the alternative arrangements summarised within an institution's report on its use of the Code"

The term 'must' "identifies essential behaviours and traits of effective governance". The Code does not dictate how 'must' is achieved, recognising institutional diversity and autonomy. Governing bodies will have to gain confidence on meeting or exceeding the requirements of each primary statement, on an annual basis (as they will be reporting on application of the Code within each year's financial statements – the Code recommends an annual review / update by the Clerk). It will be interesting to see the transition time in adopting the revised Code as HEIs will not have been operating to the new Code (issued in December 2014) from 1 August 2014 as no one could predict exactly what the Code said – will there be compliance with the old Code for 2014/15 or a hybrid for the current year? That said, a formal assessment against the new Code may highlight to many HEIs that they are already applying each of the primary elements sufficiently to report positively for the whole year (without an exercise to determine such an assertion there would be a significant leap of faith). Such an exercise could perhaps be factored into workloads now for the Clerk to the Board or Internal Auditors to support.

The Seven Primary Elements of Higher Education Governance

The Code has moved on from the 10 'key elements of HE governance' in the draft, reducing these to seven:

1. The governing body is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit.
2. The governing body protects institutional reputation by being assured that clear regulations, policies and procedures that adhere to legislative and regulatory requirements are in place, ethical in nature, and followed.
3. The governing body ensures institutional sustainability by working with the Executive to set the institutional mission and strategy. In addition, it needs to be assured that appropriate steps are being taken to deliver them and that there are effective systems of control and risk management.
4. The governing body receives assurance that academic governance is effective by working with the Senate/Academic Board or equivalent as specified in its governing instruments.
5. The governing body works with the Executive to be assured that effective control and due diligence take place in relation to institutionally significant external activities.
6. The governing body must promote equality and diversity throughout the institution, including in relation to its own operation.
7. The governing body must ensure that governance structures and processes are fit for purpose.

HEFCE's MAA sets out the set of legal responsibilities and other duties of governors:

"Taken together, the responsibilities of members of a governing body and of the governing body as a whole are considerable, and must be met. The governing body of an HEI is collectively responsible and has ultimate responsibility that cannot be delegated for overseeing the HEI's activities, to determine its future direction, and to foster an environment in which the HEI's mission is achieved. In accordance with the HEI's own statutes and constitution, there should be effective arrangements for providing assurance to the governing body that the HEI:

1. Has a robust and comprehensive system of risk management, control and corporate governance. This should include the prevention and detection of corruption, fraud, bribery and irregularities.
2. Has regular, reliable, timely and adequate information to monitor performance and track the use of public funds.
3. Plans and manages its activities to remain sustainable and financially viable.
4. Informs us of any change in its circumstances which – in the judgement of the accountable officer and in agreement with the governing body – is a material change, including any significant developments that could impact on the mutual interests of the HEI and HEFCE.
5. Uses public funds for proper purposes and seeks to achieve value for money from public funds.
6. Delivers its charitable purpose for the public benefit.
7. Complies with the mandatory requirements relating to audit and financial reporting, set out in our Audit Code of Practice and in our annual accounts direction.
8. Sends us:
    a. The annual accountability returns.
    b. Other information we may reasonably request to understand the HEI's risk status.
    c. Any data requested on our behalf by HESA.
    d. Information needed to enable us to act as principal charity regulator (exempt charities only).
9. Has effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, HEFCE and other funding or regulatory bodies (HEFCE reserves the right to use and publish its own estimates of data, where we are not satisfied that the HEI or FEC data are fit for purpose. HEFCE also reserves the right not to publish data). Responsibility for the quality of data used for internal decision-making and external reporting, which must be fit for purpose, rests with the HEI or FEC itself. Data submitted for funding and student number control purposes must comply with directions published by HEFCE; if in doubt an HEI or FEC should ask its HEFCE regional consultant to provide an authoritative, written ruling.
10. Has an effective framework – overseen by its senate, academic board or equivalent – to manage the quality of learning and teaching and to maintain academic standards.
11. Considers our assessment of its risk status, engages with us during the risk assessment process, and takes action to manage or mitigate the risks we agree upon".

The primary elements were drafted to underpin effective governance. The MAA articulates the legal responsibilities and duties – there is no cross referencing but governors need to ensure the mandated HEFCE elements are complied with and understand which of the primary elements are being followed.

Audit committees

The detailed guidance is clearly delivered with "Options the governing body could consider" provided alongside each key element. Although the 'options' are not mandatory and other options may well be available, it is interesting to note how many 'could' be considered at Audit Committee. Chairs of Audit Committee should actively review with the Clerk to the Audit Committee and Clerk to the Board the extent of business likely to be placed before Audit Committee and consider, in each instance, whether this is the most appropriate place for review, the timing of such reviews and the extent of supporting papers/representation in order for the Committee to fully consider the issues. To be effective, Audit Committees must remain independent, objective and non-executive. Whilst not disagreeing with the spirit within which this is intended, there will be occasions where lines could become blurred and the Committee will need to be alert to conflicts.

Element 3 - sustainability

The third Element covers sustainability. There was an expectation from the draft CUC Code that the Code would mandate an annual assurance statement on sustainability, building on the going concern concept and work done by the Financial Sustainability Strategy Group ('FSSG'). There is a cross reference from HEFCE's MAA (paragraph 55, the emphasis is ours):

> "The Financial Sustainability Strategy Group is overseeing the development of sustainability assessments. A pilot scheme has been operating and HEIs provided these assessments voluntarily in December 2013. _We welcome the Committee of University Chairs' willingness to consider including these sustainability assessments in its revised Governance Code of Practice and General Principles_. The assessments will be of benefit to HEIs' governing bodies, and will be valuable assurance to HEFCE and the Research Councils. Adoption within the revised Committee of University Chairs' code of practice would respect the principle of self-regulation and enable the assessments to serve multiple purposes, such as institutions' own going-concern assessments, thus reducing any burden on institutions".

HEFCE had introduced a mandatory requirement on reporting on sustainability within its 2011/12 Accounts Direction (and later suspended the requirement);

> "As the final recommendations of Lord Sharman's inquiry on going concern and liquidity risk were not reported until June 2012, the sector will not be required to implement them in its 2011-12 audited financial statements. A number of HEIs are piloting the implementation of the Financial Sustainability Strategy Group's report 'Assessing the sustainability of higher education institutions' (June 2011). This pilot exercise will take into account any response from the Financial Reporting Council following Lord Sharman's final report, and this will inform any going concern disclosure to be required across the sector in 2012-13 audited financial statements".

The new Code has settled on the following:

> "Be clear how institutional performance is measured, and identify what institutional-level KPIs and other performance measures are to be adopted within a risk-based framework and monitor these on a regular basis".

From the Code, options the governing body could consider include:

> "Taking advice from the head of institution and other relevant sources (such as the ASSUR (annual sustainability assurance report) guidance), while being clear that the adoption of agreed KPIs is a governing body responsibility".

The Financial Reporting Council ('FRC') updated the UK Corporate Governance Code in September 2014 (Lord Sharman's report). Extracted from the FRC's statements on release:

> "This significantly enhances the quality of information investors receive about the long-term health and strategy of listed companies, and raises the bar for risk management.
>
> The FRC has confirmed proposals for boards to include a 'viability statement' in the strategic report to investors. This will provide an improved and broader assessment of long-term solvency and liquidity. It is expected that this statement will look forward significantly longer than 12 months. The Code has also been changed in relation to remuneration. Boards of listed companies will now need to ensure that executive remuneration is designed to promote the long-term success of the company and demonstrate how this is being achieved more clearly to shareholders".

The CUC 'has considered' including the ASSUR assessments, but notably not as a mandated requirement (there appears to have been some debate here as the section hadn't been fully drafted on the issue of the draft Code).

Given HEFCE's demonstrable interest in sustainability, and the moves forward for listed companies in this area, we believe this will continue to be under scrutiny and perhaps something closer to the FRC requirements will be brought in through the next Accounts Direction. HEIs are well advised to update (or introduce) a voluntary assessment on the lines of the ASSUR on an annual and timely basis.

Element 4 – academic governance

One of the more contentious elements in the draft CUC Code was:

> "The governing body must ensure the effective operation of academic governance - involving the senate/academic board or equivalent as specified in its governing instruments - in order to maintain quality and ensure that the interests of students are at the heart of governance"

This has been finalised as the fourth Element:

> "The governing body receives assurance that academic governance is effective by working with the Senate/Academic Board or equivalent as specified in its governing instrument"

HEIs have maintained an unusual position in terms of corporate governance (when compared to the private sector) whereby the governance of their primary objectives - teaching and research - are set to one side and provided with a protective cloak under the auspices of Senate/Academic Board. The Chair of Senate/Academic Board is however typically the Vice Chancellor and as such there is a clear line into an institution's Accountable Officer (ordinarily the Vice Chancellor).

Where academic governance finally rests (and how this is validated) in an institution isn't going to disappear but has probably been side-lined for another 3-5 years.

Element 5

The fifth Element is interesting and picks up on themes from inside and outside of HE:

> "The governing body works with the Executive to be assured that effective control and due diligence take place in relation to institutionally significant external activities"

Emphasis is being placed on commercial transactions, trading subsidiaries, charitable trusts and the potential impact on both sustainability and reputational risk.

Element 7 - governance

> "The governing body must ensure that governance structures and processes are fit for purpose"

Within this, governing bodies 'must' have the power to remove any of its members from office. This may prove constitutionally interesting particularly, though not limited to, in a number of HEIs that are incorporated as limited companies and have a separation of [Company Act] members and directors.

Attention is also given to the role and arrangements for a Deputy Chair.

Full reviews of effectiveness of the board and its committees are mandated on a rolling four year cycle (which could catch out a number of HEIs adopting the Code that haven't had a recent review). Emphasis is put on acting on the outcomes of effectiveness reviews.

Overall, the Code has taken steps forward. There are some interesting issues that HEIs will wish to consider and implications for governing bodies, Clerks, Vice Chancellors and the executive teams. Over time there has emerged an interesting overlap in guidance with HEFCE moving to a 'principles basis' and reducing the volume of 'directions' and relying on 'if there is best practice guidance issued from sector bodies, use this. Between HEFCE, CUC, UUK and BUFDG it is possible that all bases will be covered, it is equally possible that cracks will emerge.

If you wish to discuss any of the issues raised here, or any other matters, please contact:

James Aston MBE
Partner, National Head of Education
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E: james.aston@bdo.co.uk

RISK REGISTER

Audit Committee is asked to **consider** the attached Risk Register for the School

Executive Summary

The attached risk register, change log and heat map provide the termly formal update to the Audit Committee. The institutional Risk Register was significantly revised following the Executive Board workshop in July 2014 and the new format agreed the last time Executive Board and Audit Committee reviewed the Register.

The paper contains the relevant minutes from the last meeting of the Audit Committee.

Recommendations

Audit Committee to **consider** the Risk Register.

Financial Impact

Many of the risks listed have financial implications for the School.

Risks

There is the risk that important items will be overlooked and not included in the School Risk Register. The Risk Register is the key document within the School for the identification and monitoring of risk.

Equality implications

N/A

Risk Register

Background

1. The Executive Board and Audit Committee receive formal updates to the Risk Register on a termly basis. However, the Risk Register is included as a regular item on the Executive Board agenda so it can review and decide on any necessary changes between formal updates. At the first formal update of each session the Executive Board also reviews each of the sub-registers:

- 3 Faculty registers
- IFCELS risk register
- 9 Professional services risk registers
- SHNB risk register
- A separate register for the Portfolio Board is in development

Risk Register

2. The existing risks, and their latest ratings, have been included on the heat map diagram (Annex A). A change log (Annex B) has been populated based on the current risks. This has been revised in light of comments from the Audit Committee. These two documents along with the detailed Risk Register (Annex C) provide a simple mechanism for the reporting of risk to the Executive Board and the Audit Committee. The heat map shows all gross/current/net risks in its table.

3. The detailed Risk Register, Annex C, is presented in the new format, as agreed at the last reviews by Executive Board and Audit Committee. The new format sets out each risk on a single page and extracts the definition of the risk from the actions for further control. This format makes the register easier to read and initial feedback from staff is that this is much easier for them to update.

4. In line with the agreed operating procedure the sub-registers were reviewed by the Secretary and the Secretariat Manager. No major changes were made to the institutional risk register or the individual risk ratings following this review, although some updates were received from relevant directorates/faculties and a number of minor changes have been made to the existing controls and sources of assurance. The actions have been updated to reflect those that have now been completed, revised or added to the register.

5. Executive Board considered the Risk Register in detail at its meeting on 12 January along with the extract from the Audit Committee below.

> **19. Risk Register Update** (Appendix A)
>
> The Secretary **reported** on the formal update of the Risk Register for the first term. The risk register had been discussed in detail, along with the supporting sub-registers, by the Executive Board. The major risks were highlighted in the register and it showed these both before and after proposed actions. The paper proposed a new format for the Register that improved the presentation and made it a simpler task for staff to update risks and related actions. The Committee **endorsed** the new format for future updates and then **discussed** the content in more detail.

The Committee **noted** that the actions listed needed to provide it with assurance that they would deliver the improvement in risk rating that was shown. Although the information represented a static snapshot it could still be forward looking and it was possible that for some of the risks the timeframe for the actions would need to be reviewed to cover a longer period.

The Committee **agreed** that the change log was a useful mechanism for showing any change in the risk over time but the format for how this was presented should be changed to better reflect this approach.

It was **agreed** that the next review of the Register by the Executive Board would consider the overall risk profile and that all reasonable actions were reflected and took a proactive approach to the management of risk. The risk on Value for Money would be considered for incorporation in to another risk as this was now well managed

6.   Executive Board considered the register and Audit Committee minutes along with the recent REF results and data on student recruitment and decided on a number of changes to the Register. These included that the risk likelihood should be increased on the risks relating to income targets, academic reputation and staff recruitment & retention. In addition it agreed a number of further changes to the content including a number of new mitigating actions.

7.   The latest version of the detailed Risk Register shows the changes in red. The changes in risk ratings have been reflected in all three annexes.

Recommendations

8.   Audit Committee is asked to consider and comment on the Risk Register

Chris Ince
Secretary
January 2015
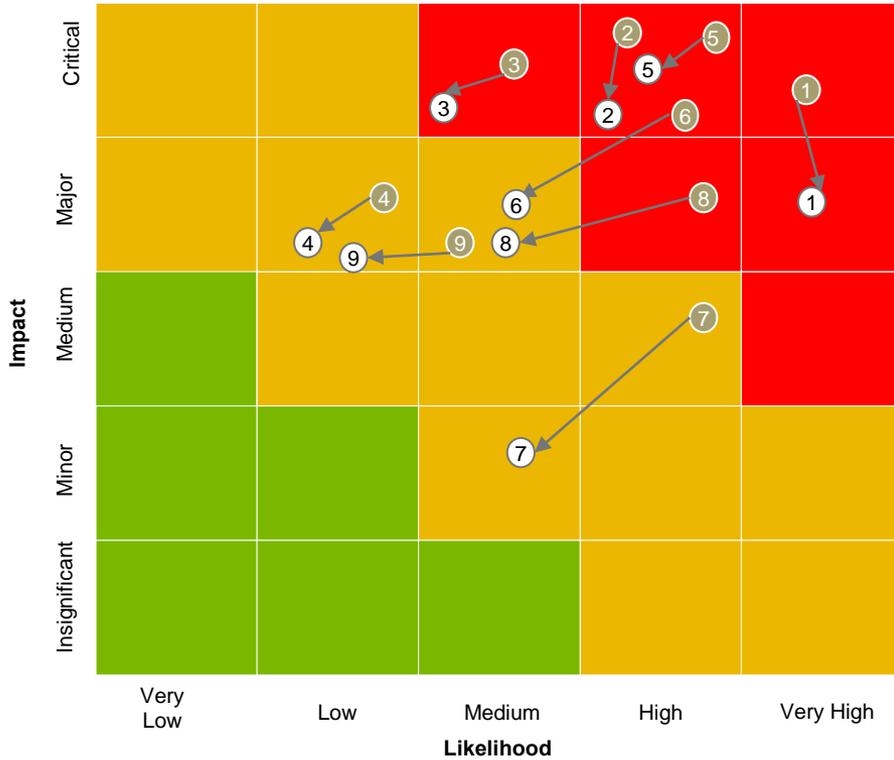
Risk	Severity			High level risk description
ref	Gross	Current	Net	
1	25	20	9	Failure to meet income targets
2	20	20	9	Failure to meet rising student expectations, leading to poor retention rates and loss of reputation
3	15	15	4	Failure to recruit and retain world-class staff
4	8	8	4	Failure to manage institutional reputation
5	20	20	8	Failure to manage academic reputation
6	20	15	8	Failure to take advantage of strategic opportunities and be agile in a competitive marketplace
7	12	9	6	Failure to achieve VfM in all key institutional activities
8	16	12	6	Failure to manage the School's cost base and ensure a sustainable institution
9	12	8	6	Failure to manage plans for a major business continuity incident

NB: Net risk represents the risk after all future controls are put in place and if there were no further external changes to the risk

Note - Arrows represent management's assessment of the adequacy and effectiveness of controls currently in place

Gross risk (assessed *before* 'Existing Controls')

Current risk (assessed *after* 'Existing Controls')

Risk severity:

Low   Moderate   High

Change Log

Reference	Risk	Current Risk (Jan 2015)		Change since last report	Previous rating (Oct 14)		12-months ago (Jan 2014)		Notes
		Impact	Likelihood		Impact	Likelihood	Impact	Likelihood	
1	Failure to meet income targets	4	5	↔	4	4	4	4	NB – Likelihood increased on gross risk as well
2	Failure to meet rising student expectations, leading to poor retention rates and loss of reputation	5	4	↔	5	4	5	4	
3	Failure to recruit and retain world-class staff	5	3	↔	5	2	5	2	Increase in likelihood. Now red.
4	Failure to manage institutional reputation	4	2	↔	4	2	4	2	
5	Failure to manage academic reputation	5	4	↔	5	3	5	3	Increase in likelihood
6	Failure to take advantage of strategic opportunities and be agile in a competitive marketplace	5	3	↔	5	3	N/A	N/A	New risk in last year
7	Failure to achieve VfM in all key institutional activities	3	3	↔	3	3	3	3	
8	Failure to manage the School's cost base and ensure a sustainable institution	4	3	↔	4	3	4	3	
9	Failure to manage plans for a major business continuity incident	4	2	↔	4	2	4	2	

Risk 1:	Failure to meet income targets					EB risk owner: Pro-Director, Learning & Teaching					
Risk Cause	**Risk Consequences**	**Gross risk**			**Existing Controls**	**Sources of Assurance**	**Early Warning Flags**	**Current risk**		**Net risk**	
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*	Impact	Likelihood	I x L	*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*	Impact / Likelihood / I x L		Impact / Likelihood / I x L	
Fall in student recruitment, change in government policies/funding, exchange rates, income from OS and premium courses, changes in HEFCE funding, PGR students, REF, 3rd stream	Do not meet financial targets and do not generate a sustainable surplus. Leads to no scope for investment, impact on courses failing to recruit	5	5	25	Financial Strategy, Recruitment and Admissions Steering Group, and Recruitment and Admissions Implementation Group - recommendations for new activities and regular updates on application and enrolment targets to EB. Centenary Planning Group. Monitoring by Executive Board and RPC. MSR strategies and action plans.	Regular reporting to EB on recruitment against target and research & enterprise income. Externally commissioned review on fundraising. Detailed sub-risk registers. Continual monitoring of market information including Higher Expectations Reports and Student Barometer track our performance vs. competitors, plus the introduction of monthly MSR reporting to track performance against KPIs. Continued brand awareness raising activity in key markets, development of messaging, targeted promotions and the introduction of Saturday Open Days to maximise interest in the School. Roll-out of enhanced conversion programme, including the introduction of incentives and on-going telephone conversion activity.	Financial Strategy Performance Indicators. Research & Enterprise Strategy Performance Indicators	4 / 5 / 20		3 / 3 / 9	

Actions for further control to deliver net risk based on existing environment

Action for Further Control	Action Owner	Due Date	Status update
Develop and implement a revised recruitment and admissions strategy	Pro-Director, L&T	Nov-14	Closed. Now implemented by RASG
Implement outcomes of Away Day to review processes and procedures relating to programme approvals, planning and marketing.	Pro-Director, L&T	Nov-14	Completed
Further growth in philanthropic income and development of Case for Support as part of the Centenary Fundraising Campaign. Case for Support (to be launched in Sept 2016) will be signed off by EB and GB.	Director of ERD	Jul-15	Revised date for sign off by EB and GB (this is later as launch date for Case for Support now Sept 2016)
Develop and implement a revised Research & Enterprise Strategy action plan for 2015-2020	Director REO	Feb-15 / July-15	Revised action following discussion with REO
A postgraduate UK recruitment strategy will be developed in response to market pressures in this area and the international recruitment strategy will be reviewed and refined after a full year of operation.	Pro-Director, L&T / Director ERD	Feb - 15	An updated UG recruitment action plan has been developed for 2015 entry.
Model potential impact of sector changes post General Election	Director of Finance & Planning	May-15	
Model different size, shape options for School for consideration by EB as part of development of Strategic Plan	Director of Finance & Planning	Jan-15	Revised date due to other priorities
Implement unconditional and adjusted offers for 2015/16 undergraduate entry	Pro-Director, L&T	Feb-15	New action
Asses and explore areas for possible future growth	Pro-Director, L&T	Mar-15	New action

Risk 2:	Failure to meet rising student expectations, leading to poor retention rates and loss of reputation				EB risk owner: Pro-Director, Learning & Teaching						
Risk Cause	**Risk Consequences**	Gross risk			**Existing Controls**	**Sources of Assurance**	**Early Warning Flags**	Current risk			Net risk		
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*	Impact	Likelihood	I x L	*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*	Impact	Likelihood	I x L	Impact	Likelihood	I x L
Quality of Estate, student support problems, teaching & assessment, poor academic offering	Drop in NSS, downward spiral	5	4	20	Student Admin & Support Strategy, Estates & Infrastructure Strategy. Monitoring by GB, AB, EB and SEC. NSS Action Plans. Portfolio Board	NSS scores, league tables, internal surveys, Capital expenditure and long term maintenance plans approved by GB annually, SHNB risk log (and other risk registers), Planning permission for SHNB obtained.	Projects running behind schedule; significant underspends on cap ex or long term maintenance. Student Experience and Learning & Teaching strategy Performance Indicators	5	4	20	3	3	9

Actions for further control to deliver net risk based on existing environment

Action for Further Control	Action Owner	Due Date	Status update
Action Plan to support new Student Experience Strategy to be presented to SEC in 14/15	Director of Student & Registry Services	Closed	Superseded by work on new Strategic Plan
Delivery of North Block project for occupation	Registrar	Jun-16	Revised date based on construction period
Current phase of work of work under Portfolio Board and Accelerated Investment Fund. Report to EB/RPC	Registrar	Jun-15	
Review & redraft Estates Strategy for approval	Registrar/Director of Estates	Jun-15	
Development of capital improvement programme for the School's main building	Registrar/Director of Estates	Jun-15	

Institutional Risk Register

Risk 3:	Failure to recruit and retain world-class staff					Director of HR						
Risk Cause	**Risk Consequences**	**Gross risk**			**Existing Controls**	**Sources of Assurance**	**Early Warning Flags**	**Current risk**			**Net risk**	
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*	Impact	Likelihood	I x L	*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*	Impact	Likelihood	I x L	Impact	Likelihood	I x L
Poor recruitment, poor management of staff, London effect, UK salaries, staff morale, management capacity & capability, staff performance	Poor teaching and research. System and process failures. Lack of innovation	5	3	15	HR Strategy, Performance Framework working group, promotions panel review, recognition & rewards procedures, current recruitment procedures, golden hellos, relocation packages, training, SDR scheme etc	Rewards and promotions procedures are being constantly reviewed and updated; Staff T/O rates are currently very low across the board; We have been able to fend-off approaches for staff from other institutions (sometimes, but not all the time).	a) Staff t/o rates increasing (especially for senior academic and senior professional services staff) - currently extremely low for all groups; b) Pulse Survey results indicate low morale and a desire to leave SOAS;	5	3	10	4	2	8

Actions for further control to deliver net risk based on existing environment			
Action for Further Control	**Action Owner**	**Due Date**	**Status update**
Employee Approval and Recruitment Process Improvement Project (EARPIP) is part-completed. This has resulted in a reduction in the number of steps required to recruit a member of staff from the start to the end of the process. When fully completed the aim is to reduce the time taken to complete each recruitment process to a maximum of 3 months.	HR Director, EARPIP Project Board, EB, HoDs, Recruiting Managers	April 15	SharePoint delays have resulted in only partial implementation
Academic Performance Framework group has been re-established to develop and agree a final framework by the end of the current session; Academic Workload model has been taken out of scope for this group but work on School promotions criteria has been included;	HR Director, Pro-Director (Research & Enterprise), HRM's, APF Working Group	Jul-15	
Develop and introduce "broad-banding" salary scales for G10 Professional Services staff;	HR Director, Reg & Sec, HRM (Change)	Mar-15	
Improve staff facilities, including physical working environment;	Director of Estates and Facilities, EB, GB	Jan-16	
Negotiate an affordable increase in London Weighting Allowance with the trade unions.	HR Director, EB, UCU & UNISON	Jul-15	Two negotiation meetings have been held with some progress made. A further meeting will be scheduled for early in the New Year.
Agree the proposed revisions of the Professorial Salary Scales, to make them more competitive particularly at the top end, with UCU.	HR Director, EB, UCU	Mar-15	Deferred until end of March 2015, due to the availability of further comparator data from UCEA (Feb 2015)
Agree changes to the School promotions criteria to include promotion based on Teaching excellence as well as Research excellence. This action is now included in the second action above	HR Director, SPP	Remove	No longer a separate action
Review appointments in last 3-years for % of first-choice candidates appointed	HR Director	Feb-15	New action from EB
Look at allowances and incentives for academic appointments	HR Director / Deans	Apr-15	New action

Risk 4:	Failure to manage institutional reputation				EB risk owner: Registrar						

Risk Cause	Risk Consequences	Gross risk			Existing Controls	Sources of Assurance	Early Warning Flags	Current risk			Net risk		
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*	Impact	Likelihood	I x L	*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*	Impact	Likelihood	I x L	Impact	Likelihood	I x L
Governance failure, lose completive or market position, QAA, staff and student relations, adverse publicity event, cyber crime	Loss of reputation with internal and external stakeholders	4	2	8	External Relations Strategy; Process Improvement plans Gift acceptance Policy. Monitoring by ERCC + EB/GB. Introduction of JNCC, Briefings for GB on key issues (e.g. BDS)	Action plans in place and progress reported to the Recruitment and Admissions Steering Group and the External Relations and Communications Committee. UKBA audits	Slippage on agreed deliverables; significant underspends on key budgets. Drop in ER Strategy performance indicators	4	2	8	4	1	4

Actions for further control to deliver net risk based on existing environment

Action for Further Control	Action Owner	Due Date	Status update
Improved procedures to cascade internal information to be put in place. New Student News bulletin for School to disseminate information directly to students	Registrar, Director of ERD	Completed	This entry will be removed from next version
Develop and implement crisis communications procedure	Director of ERD, Registrar	Mid Feb - 15	Original deadline of Dec 14 not met due to more pressing REF/Centenary deadlines
Minimise impact industrial action has on School's reputation, by MIA Group	HR Director	Ongoing	Runs as required – incorporate in to sources of assurance
Review ethical investment approach in relation to fossil fuels and wider issues being reviewed by Working Group	Secretary	Feb-15	Revised date (earlier)
Consideration and review of ethics issues in wider context (not limited to fossil fuels) - More Partnership's session on Ethics at Feb 2015 GB meeting will highlight issues and allow members to discuss areas of concern.	Director of ERD	Feb-15	New action
Review gift acceptance procedure and introduce and consider overarching Ethics Policy across whole School covering gift income, research income, gifts in kind, investment and procurement – paper then to be sent to EB with proposals.	Director of ERD / Director of REO / Director of LIS	Apr-15	New action

Risk 5:	Failure to manage academic reputation					EB risk owner: Pro-Director, Research & Enterprise							

Risk Cause	Risk Consequences	Gross risk			Existing Controls	Sources of Assurance	Early Warning Flags	Current risk			Net risk		
What might cause the risk to occur?	What are the possible consequences should the risk occur?	Impact	Likelihood	I x L	What existing strategies, processes or controls are in place to manage the risk?	How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?	What would indicate that the likelihood or the impact of the risk is increasing?	Impact	Likelihood	I x L	Impact	Likelihood	I x L
Drop in quality of teaching offering, research, poor NSS scores, funding outcomes. Poor QAA/REF outcomes	Downward spiral in league tables	5	4	20	League Table Working Group. Monitoring also by EB and GB. Academic planning cycle	League table position	Drop in league table position. KPIs	5	4	20	4	2	8

Actions for further control to deliver net risk based on existing environment			

Action for Further Control	Action Owner	Due Date	Status update
EB to regularly review development of academic programmes prior to inclusion in the Faculty Plans for 2014/15	Pro-Director (L&T)	Sep-15	
Develop and implement a revised Research & Enterprise Strategy action plan for 2015-2020	Director REO	Feb-15 / July-15	Revised action following discussion with REO
Develop and implement a revised Learning & Teaching action plan for 14/15, as part of development of new Strategic Plan	Pro-Director (L&T)	Apr-15	
Develop communication plan prior to REF announcement	Director of ERD & Pro-Director (R&E)	Completed	Comms plan in place for 18 Dec REF announcement Will be removed from next version
Communications plan post REF results	Director of ERD & Pro-Director (R&E)	Feb-15	

Risk 6:	Failure to take advantage of strategic opportunities and be agile in a competitive marketplace				EB risk owner: Registrar						
Risk Cause	**Risk Consequences**	**Gross risk**			**Existing Controls**	**Sources of Assurance**	**Early Warning Flags**	**Current risk**			**Net risk**		

Risk Cause	Risk Consequences	Impact	Likelihood	I x L	Existing Controls	Sources of Assurance	Early Warning Flags	Impact	Likelihood	I x L	Impact	Likelihood	I x L
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*				*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*						
Poor horizon scanning. Lack of institutional agility, capacity or capability	Fail to keep up with competitors or develop in new areas	5	4	20	Reports to EB from all members on key developments in sector. GB/EB Away Days & informal meetings. Close relationship with UoL	Ability to take recognise and submit responses to new sector initiatives e.g. HEFCE, research councils	Competitors announcing new developments. Known missed funding opportunities.	5	3	15	4	2	8

Actions for further control to deliver net risk based on existing environment			
Action for Further Control	**Action Owner**	**Due Date**	**Status update**
Approval of new Estates Strategy and revised space strategy. Enables agile response to new opportunities	Registrar	Jun-15	Align date with that from risk 2
Development of first draft of a Strategic Plan for consideration by Governing Body	Registrar	Apr-15	
Agree plans to capitalise on opportunity presented by Centenary	Registrar	Jul-15	

Risk 7:	Failure to achieve VfM in all key institutional activities					EB risk owner: Director of Finance & Planning						
Risk Cause	**Risk Consequences**	**Gross risk**			**Existing Controls**	**Sources of Assurance**	**Early Warning Flags**	**Current risk**			**Net risk**	
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*	Impact	Likelihood	I x L	*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*	Impact	Likelihood	I x L	Impact	Likelihood	I x L
Lack of institutional appetite	Lack of agility to respond to changes in sector, financial impact	3	4	12	Financial Strategy, VFM policy, monitoring by Executive Board, Portfolio Board and Audit Committee	Annual VFM Report, KPIs from revised Financial Strategy, Internal audit of risk management. Detailed sub-risk registers	Increase in % staff costs against target, failure to achieve objectives agreed in VFM plan. Financial Strategy Performance Indicators	3	3	9	3	2	6

Actions for further control to deliver net risk based on existing environment			
Review of internal audit reports for 13/14 for any actions relating to VfM initiatives	Secretary	Completed	Reports reviewed and actions not completed in year have been factored in to future plans/. Remove from next version
First phase of aligning all institutional promotional and marketing activities	Registrar	Jul-15	
Review of distance learning arrangements with the University of London and decision on next steps	Pro-Director, Learning & Teaching	Jul-15	
Project Board to implement full set of facilities management service across the campus including SHNB	Registrar & Director of Finance & Planning	Jun-16	
Approval of new Estates Strategy and revised space strategy	Registrar	Jun-15	
Current phase of work of work under Portfolio Board and Accelerated Investment Fund. Report to EB/RPC	Registrar	Jun-15	
Review VfM actions mid-year. Update plan and incorporate any key actions in to Risk Register	Secretary / Director of Finance & Planning	Apr-15	

Risk 8:	Failure to manage the School's cost base and ensure a sustainable institution				EB risk owner: Director of Finance & Planning						

Risk Cause	Risk Consequences	Gross risk			Existing Controls	Sources of Assurance	Early Warning Flags	Current risk			Net risk		
		Impact	Likelihood	I x L				Impact	Likelihood	I x L	Impact	Likelihood	I x L
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*				*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*						
Increasing staff costs, pension liabilities, failure to meet targets for north block project costs	Do not meet financial targets, run at a deficit, no scope for investment	4	4	16	Financial Strategy, Monitoring by Executive Board and RPC	Financial Strategy KPIs, Detailed management information reports. Detailed sub-risk registers. ASSUR submission to HEFCE	Increase in staff costs as % of income. Financial Strategy Performance Indicators	4	3	12	3	2	6

Actions for further control to deliver net risk based on existing environment

Action for Further Control	Action Owner	Due Date	Status update
Review reporting of (academic) departmental financial performance and consider undertaking more granular analysis of data underlying departmental RAM	Director of Finance & Planning	Closed	Removed. No longer taking place
Discussions with University of London over shared service for facilities management & completion of draft business case	Registrar	Closed	Work closed. Internal options being developed
Implementation of cost sharing group with UoL partners covering facilities management services (subject to approval of business case)	Registrar	Closed	Work closed. Internal options being developed
Roll out zero based budgeting across Professional Services Directorates, undertaking 1/3 by expenditure per year. Starting with LIS & External Relations Directorates	Director of Finance & Planning	Mar-15	
Consider actions necessary to make good any shortfall arising from the loss of QR income as a consequence of the 2014 REF	Director of Finance & Planning	Mar-15	New action
EB, via faculties and directorates, to consider any targeted voluntary severance schemes	HR Director	Apr-15	New action
Consider options around increasing staff turnover	HR Director	Apr-15	New action

Risk 9:	Failure to manage plans for a major business continuity incident					EB risk owner: Registrar					

Risk Cause	Risk Consequences	Gross risk			Existing Controls	Sources of Assurance	Early Warning Flags	Current risk			Net risk		
What might cause the risk to occur?	*What are the possible consequences should the risk occur?*	Impact	Likelihood	I x L	*What existing strategies, processes or controls are in place to manage the risk?*	*How do we know that these controls are efficient and effective? What are our sources of assurance over the controls for this risk?*	*What would indicate that the likelihood or the impact of the risk is increasing?*	Impact	Likelihood	I x L	Impact	Likelihood	I x L
Poor preparation of plans, lack of testing, incident outside of plans scope, significant industrial/student action	Major impact on School's activities with possible serious financial impact if uninsured risk	4	3	12	Business continuity plans. Monitoring by EB. Detailed IT contingency plans. Managing Industrial Action Group. Annual formal updates of plans	Post-event review of any incidents. Periodic test exercises. Sub Risk registers. Deep dive review by Audit Committee in May 2014	Minor incidents that are not handled appropriately. Increase in fire alarm activations or security incidents	4	2	8	3	2	6

Actions for further control to deliver net risk based on existing environment			
Action for Further Control	**Action Owner**	**Due Date**	**Status update**
Repeat of externally facilitated test exercise	Secretary	May-15	
Implementation of new IT disaster recovery solution	Registrar	Jul-15	Rephased in LIS capital programme
Approval of new H&S Policy including revised sections on staff and students working overseas	Secretary	Apr-15	New action
Review of IT systems/management by internal audit in 14/15	Registrar	May-15	New action

Higher Education Students Early Statistics Survey 2014-15 (HESES14) Audit Report

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Audit Committee is asked to **receive** the following report

Executive Summary

The report summarises the process for preparing the HESES14 return and details specific considerations and assumptions made during this preparation including HEFCE identified risks and mitigations.

Recommendations

N/A

Financial Impact

N/A

Risks

N/A

Higher Education Students Early Statistics Survey 2014-15 (HESES14) Audit Report

Introduction
The Higher Education Students Early Statistics (HESES) survey is the primary data source that informs the initial allocations of formula-based recurrent teaching funding for higher education institutions (HEIs) from the Higher Education Funding Council (HEFCE). It collects aggregate information on students who are counted for funding purposes, as well as other students and includes forecasts of non-completions and future enrolments.

The HESES14 return comprised of the following tables:

1. Full-time counts of years of instance
2. Sandwich year-out counts of years of instance (not applicable to SOAS)
3. Part-time counts of years of instance and FTE
4. Home and EU undergraduate years abroad
5. Further student breakdowns for planning purposes (region of domicile, fundability, new entrants, franchise activity)
6. Counts of years of instance monitored for student number control purposes

Process
The HESES14 report is prepared as follows:

(i) Wastage rates were calculated by price group, mode and level of study and year of study (UG degree only) based on the enrolment/completion activity for 2013/14 contained in the Student Record returned to the Higher Education Statistics Agency (HESA) in October 2014 and informed by the wastage rates calculated for previous HESES returns; the timing of the exam boards meant that the 2013/14 PGT degree data was not available for analysis, so the wastage rates based on the 2012/13 activity were used.

(ii) Enrolment data (programme and course) for the 2014/15 academic session were extracted from the UNIT-e student records system with each course enrolment being assigned to the appropriate price group as determined by the cost centre of the course. Where course data is not applicable (PGR, UG language year abroad, short courses in the Language Centre), enrolments were assigned to price groups based on the cost centre of the year of study of the programme as a whole).

(iii) Each student course or year of programme of study enrolment was assigned to the appropriate HESES table based on price group of activity, mode of study and fundability status. In addition each row of data was marked up to indicate domicile region, new students and those students studying on degrees offered in conjunction with other University of London colleges.

(iv) Student loads (FTE) were calculated based on actual course registrations for taught students. An agreed matrix of term-based loads was used for PGR students.

(v) The student data was pivoted to produce the HESES return and the wastage rates were applied to provide the data for non-completions as required.

This process was underpinned by a HESES14 Activity Timetable, an approved SOAS HESES/HESA student completion of year of study policy and written procedures for the forecasting of student numbers and the calculation of wastage rates for use in HESES. Notes of all assumptions made during the compilation of the return were kept, as were any

specific queries raised with the Registry and other student record centres regarding the underlying data.

The data in the initial submission is prepared by the Head of Planning and checked by a Senior Planning Officer. The full submission is signed-off by the Director of Finance & Planning prior to its being sent to HEFCE.

Further data queries are raised by HEFCE officers prior to their request to sign-off the return. The responses to these queries and any amendments to the data are prepared by the Head of Planning and agreed with the Director of Finance & Planning.

Once authorization to sign-off the HESES14 is received from HEFCE, the return is further scrutinised by the Director before final sign-off; this sign-off includes a meeting with the Head of Planning

Updates to the HESES requirements introduced by HEFCE in 2014
The following changes were introduced in the HESES14 documentation (NB only those changes which could apply to SOAS student records are listed):

(i) *Price Groups*
The headcounts/FTEs for old-regime students are split into the same price group structures as new-regime students (as introduced in 2013/14).

C1   Art & Design, Music (Departments of History of Art & Archaeology and Music)
C2   Geography, Modern Languages (Geography provision supplied by KCL and all departments in the Faculty of Languages & Cultures)

A new price group for Media Studies has also been introduced.

(ii) *Table 5 - Further student breakdowns for planning purposes (region of domicile, fundability, new entrants, franchise activity)*
Years of instance are now disaggregated between UK-domiciled and Other Home and EU as well as Island and Overseas. This is a change in nomenclature for clarity rather than a change in the way the data is reported.

(iii) *Home and EU undergraduate years abroad*
Instances for Home/EU undergraduates that are treated as years abroad for HESES and student support purposes are now categorised by type of year abroad (outgoing Erasmus+ and outgoing students outside the Erasmus+ programme) rather than level.

(iv) *Table 7 Forecast of HEFCE-fundable and employer co-funded year of instance/FTE*
This table is no longer collected.

Considerations and assumptions made

Particular consideration was given to the three areas detailed below:

(i) Wastage rates

Wastage rates were created based on the student completion rates for 2012/13 and 2013/14 further informed by previous completion rates calculated each year from 2005 onwards. As with all forecasting it is assumed that student activity will remain similar, or on trend going forward.

(ii) Partial enrolments

HEFCE allow for the inclusion of students in the HESES return who have not fully registered where "there is evidence of activity". All partial enrolments were examined and included as follows:

- Language year abroad – students were included if they were on the Faculty of Languages & Cultures "active" list and/or the School had received an invoice from the partner institution for the student. (NB not all language year abroad arrangements are on a payment basis).
- On-campus students – taught students were included if there was evidence of course registrations having taken place and Registry had been in dialogue with the student and were aware of the reasons behind the delay in the completion of enrolment (eg delays in Career Development Loans, or Student Loans Company processes).

Where there were doubts that a student was in active enrolment, or that fees would be received, the enrolment was excluded from the return.

(iii) Students studying for equivalent or lower qualifications (ELQ)

Students are considered to be aiming for an ELQ where they are aiming for a qualification that is no higher than one thy have already achieved. The initial assessment of ELQ is carried out by the Student Admissions teams and students are asked to confirm the highest qualification they hold at enrolment each year. Where the enrolment information received from the student appears to be in conflict with the ELQ status held in the student record database the information is checked to ascertain whether the student has achieved an ELQ qualification recently, has not previously declared an ELQ qualification, or has simply entered incorrect data during the enrolment process. (Incorrect data is often entered by students who transfer from other institutions where they include previous study *towards* a degree as being the degree qualification itself).

Risks and mitigations

Risk	Mitigation
Inaccurate estimates of non-completions	Clear understanding of the HEFCE non-completion rules and SOAS policy in place. Extensive use of historic data and HESES/HESA reconciliation to improve trends analysis.
	Part-time non-completions calculated on a headcount (programme) basis and converted to FTE based on the headcount:course FTE ratios for each HESES workbook cell.
Incorrect returning of student FTE	The majority of part-time enrolments are returned using actual course registration data. This is not the case for Language Centre students, but these are returned based on the length of the part-time programme against the standard student load on the full- time programme, so a part-time student studying for two years would count as 0.5 for each year of study (NB these students do not have the flexibility to transfer between part-time modes).
Incorrect return of students who have are studying for equivalent or lower qualifications (ELQ)	Checks are made by the Planning Department against qualifications declared during enrolment and the ELQ status of the students. Any resultant queries are discussed with the appropriate admissions team and records updated as appropriate.
	Students are asked to confirm whether they have attained any new qualifications each year.
Incorrect apportionment of student FTE to cost centres	The majority of the student activity is returned by course – each course having a specific cost centre based on the assignment of the course convenor. Course convenors and cost centres are checked each year with HR and the Faculties to ensure that information is up-to-date.
	PGR students are assigned based on the cost centre of the Department, or Centre in which they study.
Incorrect recording of students as old-, or new-regime	Extensive checks carried out by the Fees & Scholarships section in the Registry and full documentation available (including alert texts on UNIT-e). Liaison between the Planning Department and the Fees & Scholarships section throughout the year to ensure that both the rules and the statuses of particular students are clearly understood.

Risk	Mitigation
Incorrect recording of undergraduate fundable students for Student Number Control purposes	SOAS has a clear SNC Policy and all statuses are checked during the HESES creation process. Any anomalies are submitted to the Undergraduate Admissions team for review and clarification.

Alison Hartrey
Head of Planning
13 January 2015

Internal Audit: Progress Report and Recommendation Tracker

SOAS

February 2015

INTERNAL AUDIT

SOAS
Internal Audit Progress Report – February 2015

Summary of work performed since last Audit Committee on 6 November 2014

Since the last meeting of the Audit Committee we have continued to work on the 2014-15 internal audit plan and have:

- Completed our review of Examination Cycle and have completed the fieldwork on our review of IT Management

- Commenced the build of our new automated recommendation tracking system, 'K-Central'. The software automatically tracks and chases recommendations. We are currently migrating the data from the current system to K-Central. The automated system will be in place in advance of the next Audit Committee

Work to be completed before the 28 May 2015 Audit Committee

In the next quarter, we will perform and finalise the following work from the 2014-15 internal audit plan:

- Core Financial Systems; Health and Safety; Data Quality; and Admissions Process

- Finalise our review of IT Management

Current delivery of 2014-15 audit plan

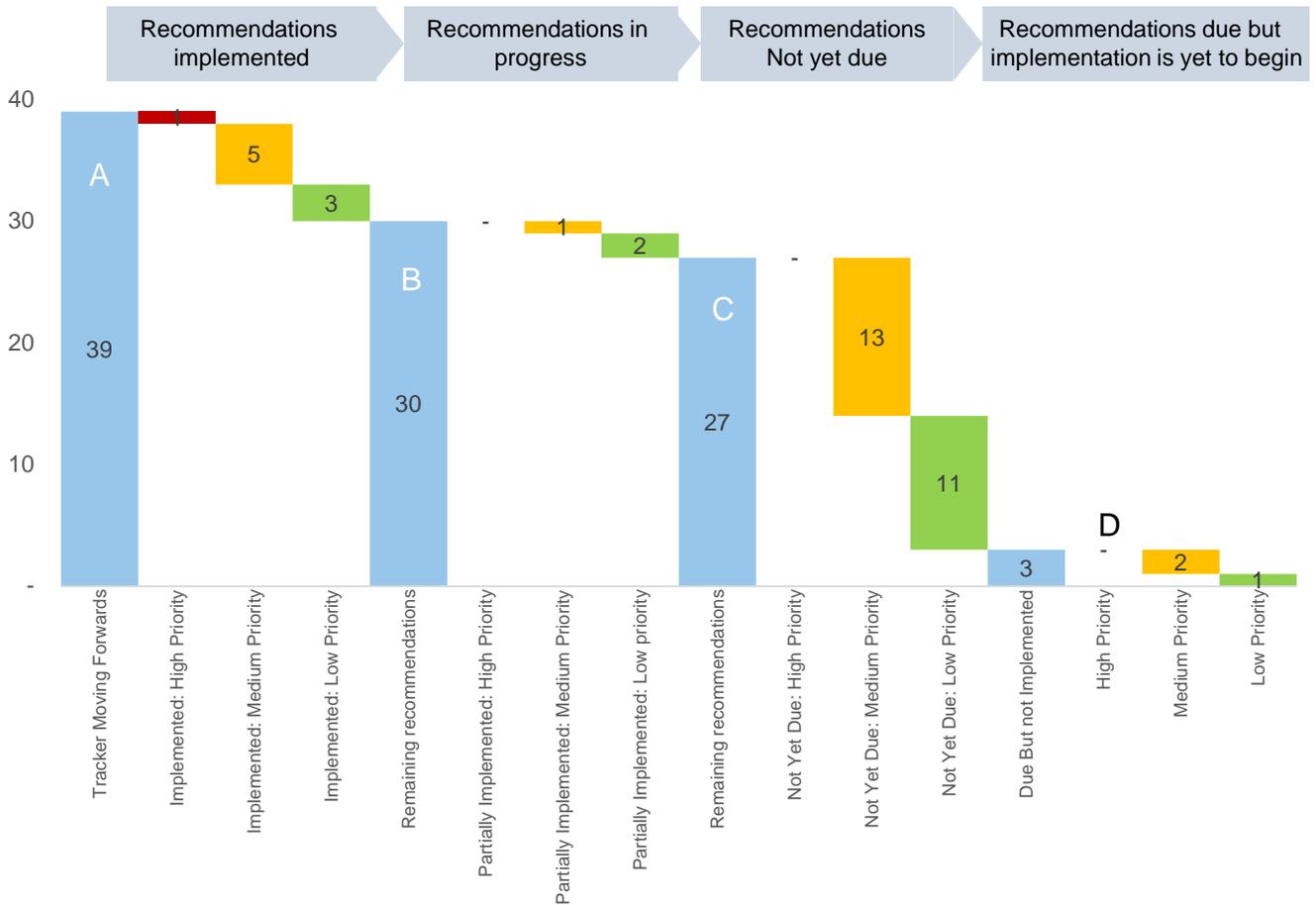| Review	Days planned	Days input	Status of work	Audit Committee	Assurance rating
Examination Cycle	10	10	Completed	Feb 2015	Significant assurance with minor improvement opportunities
IT Management	15	12	Fieldwork completed. Agreeing Management responses	May 2015	TBC
Core Financial Systems	10	0	Scope for review agreed	May 2015	TBC
Health and Safety	10	0	Drafting terms of reference	May 2015	TBC
Governance and Risk Management	10	0	Drafting terms of reference	May 2015	TBC
Data Quality	15	0	Drafting terms of reference	May 2015	TBC
Admissions Process	10	0	Drafting terms of reference	August 2015	TBC
Planning, contract management and follow-up	17	7	Ongoing		
Total review days	**97**	**29**			

We ask the Audit Committee to:

- **APPROVE** our report on Examination Cycle; and

- **NOTE** our Progress Report.

Follow up of recommendations

This section of the report provides an update on the status of those outstanding recommendations raised by the previous internal audit provider, Kingston City Group (KCG), and those that where raised in our work and were shown as outstanding in the last progress report presented at the October 2014 Audit Committee.

	Priority			
	High	**Medium**	**Low**	**Total**
Outstanding recommendations by KCG	1	1	0	2
Outstanding recommendations by KPMG	0	18	19	37
Total	**1**	**19**	**19**	**39**

The following diagram provides a summary of the progress being made by management to implement outstanding Internal Audit recommendations. Below this diagram we summarise key points.

Waterfall chart with column headers:
- Recommendations implemented
- Recommendations in progress
- Recommendations Not yet due
- Recommendations due but implementation is yet to begin

Values by category:
- Tracker Moving Forwards: 39 (A)
- Implemented: High Priority: 1
- Implemented: Medium Priority: 5
- Implemented: Low Priority: 3
- Remaining recommendations: 30 (B)
- Partially Implemented: High Priority: -
- Partially Implemented: Medium Priority: 1
- Partially Implemented: Low priority: 2
- Remaining recommendations: 27 (C)
- Not Yet Due: High Priority: -
- Not Yet Due: Medium Priority: 13
- Not Yet Due: Low Priority: 11
- Due But not Implemented: 3
- High Priority: - (D)
- Medium Priority: 2
- Low Priority: 1

A

Nine recommendations were implemented which includes both of the recommendations raised by KCG. The high priority recommendation that was implemented was the KCG recommendation regarding 'Review of Sickness Absence Management'.

B

The recommendations in progress relate primarily to our recent reports on Exam Cycle and Governance and Risk Management.

C

These are recommendations that are not due, however will be followed-up and assessed in the forthcoming months when actions are due.

D

There are currently no high level recommendations that are due but not implemented or progressed.

The medium priority overdue recommendation relates to our Student Experience report from 2012-13 and relates to department / faculties introduce formal monitoring procedures to ensure that PA's are complying with the faculties policy.

KPMG

cutting through complexity ™

Examination Cycle

Overall report rating:

Significant assurance with minor improvement opportunities

School of Oriental and African Studies

Internal Audit 2014-15

January 2015

Contents

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Status of Report

Discussion draft issued:	27 January 2015
Management responses received:	XX January 2015
Final report issued:	XX January 2015
Presented to Audit Committee	5 February 2015

Distribution

To (for action)   cc (for information)

• John Peck, Head of Registry   • Chris Ince, Deputy Secretary

• Ian Lamey, Examination and
  Assessments Manager

Following approval of the audit committee this report will also be shared with the following committees:

Audit and Risk Committee

Conclusion

An assessment of **significant assurance with minor improvement opportunities (amber-green)** has been made in respect of our review of the Examination Cycle at the School of Oriental and African Studies (the "School"). This is in line with Management's anticipated level of assurance.

The Examinations Office has appropriate knowledge and understanding of the Examination Cycle and provides significant support to the Faculties and Departments throughout the year. The timeframe for both the timetable setting and the writing of the examination papers has been the same for many years and issues have not yet arisen that have caused movements within the timetable or significant errors identified in examination papers.

The process for preparing the Examination Timetable commences in December, which allows three months before the final version is published via email to the Departments and students. During this time the Examinations Office liaises with the Departments regarding staff preferences for timing of the examinations, course clashes and resource bookings. Requests are to be submitted to the Examinations Office by early February, but our testing identified instances where this was exceeded.

The Call For Papers reminder is also issued in December. Sub-board examiners attend scrutiny meetings to approve Examination Papers and Visiting Examiners verify them as required. Camera-Ready papers are needed by mid-March; however this deadline was exceeded on a number of occasions, applying greater pressure on the Examinations Office to have papers printed in time for the examination.

Sufficient time is factored in for each of the processes and as yet the delays identified during our review have not significantly hindered the examination cycle, however should those delays continue it could have a negative impact on the student experience, as examination sittings may have to be moved or papers are deemed null and void.

Our review has highlighted a need for better monitoring and reporting procedures to help tighten the controls to allow the Examinations Office to manage the Examination Cycle more efficiently.

Background

The construction of the Examination Timetable is critical in ensuring that students are able to sit their exams in an appropriate timeframe and that graduation ceremonies are held after that. Ensuring that students receive a seamless examination process is critical to ensuring that they have a positive student experience.

The timetable is compiled early in the calendar year for the summer exams. In order to complete this, the Examinations and Assessments Manager takes into account potential conflicts of student modules, staff preferences to ensure that the course tutor can be available for the exam and space constraints.

The other key factor to the Examination Cycle is the production of Examination Papers. This process involves ensuring that papers are available in time for the exams, that these are kept secure prior to the exam and to ensure these are of appropriate quality. Papers are drafted early in the year and submitted to the appropriate sub-board of examiners' scrutiny meeting, which takes place in January. These are then subject to review by an independent Visiting Examiner before being finalised and sent to the Examinations Office for printing.

Another key issue this year is that this is the first year when the Institute of South Asia and the Institute of China set examinations. Currently, the Examinations Office was not clear on the processes adopted by the institutes to set and run examinations.

Section one
Executive summary

The objectives of our work are shown below:

Objective	Description
Objective one Examinations Timetable	We reviewed the arrangements that the School has in place with respect to setting the examinations timetable. This included consideration of: • The time of year that this process is carried out • The process for taking into account potential clashes with other courses taken by any individual student, staff preferences for timing of their exams and space constraints • The communication of this timetable to departments and students
Objective two Examination setting	We reviewed the arrangements that the School has in place with respect to setting examinations. This included consideration of: • The review process of exam papers, to include the production of the exam paper by departments, the review of papers by the appropriate sub-board of examiners at their annual scrutiny meeting and by an independent Visiting Examiner and the finalisation and printing of papers by the Examinations Office • The timetable for examination papers being written and approved, both for the main Summer exams and for the late Summer exams • The security of draft and final examinations

Areas of good practice

✓ The process for setting the Examination Timetable and Examination Papers starts in December, giving sufficient time for both to be finalised by the deadlines stated on the examination calendar

✓ Each Department is given the opportunity to make special requests to ensure the final Examination Timetable is suitable for the students and the staff

✓ Examination Papers are prepared using a standard template to maintain presentation consistency

✓ Scrutiny meetings are held within each Department to formally approve the Examination Papers

✓ The Visiting Examiners are vetted, authorised and contacted by the Examinations Office and Faculties prior to being required to verify the Examination Papers

✓ A Special Assessment Panel meets to approve special requests for students with learning differences to accommodate their individual needs during the examination

✓ Security of Examination Papers, through the use of passwords, secure storage and course overlapping analysis, reduces the risk of plagiarism and student misconduct

Areas for development

▪ Whilst the School has not faced issues concerning the Examination Timetable or the content of the Examination Papers, a current lack of monitoring of these processes increases the risk of problems arising, as some Departments were identified as failing to meet deadlines (**Recommendations 1, 5 and 6**)

▪ In cases where students study at other institutes, either in the UK or overseas, the procedures in place are not formalised for ensuring examinations do not overlap and for recording examination results (**Recommendations 2 and 4**)

▪ Clarifying the roles of the staff within the Examinations Office, the Faculties and the Departments will ensure each team has clearly defined responsibilities over the Examination Timetable and Examination Paper preparation and approval (**Recommendations 7 and 8**)

The overall number of recommendations raised is summarised below:

Recommendation raised	High	Medium	Low	Total
Made	-	4	5	9
Accepted	-	TBC	TBC	TBC

Acknowledgement

We thank your staff for their assistance during our review.

This section summarises the recommendations that we have identified from our work. Each has a risk rating (as explained below) and it has been agreed with management what action will be taken.

Priority rating for recommendations raised		
High Priority (one): Issues arising referring to important matters that are fundamental to the system of internal control. We believe that the matters observed might cause a business objective not to be met or leave a risk unmitigated and need to be addressed as a matter of urgency.	**Medium Priority (two):** Issues arising referring mainly to matters that have an important effect on controls but do not require immediate action. A business objective may still be met in full or in part or a risk partially mitigated but the weakness represents a significant deficiency in the system.	**Low Priority (three):** Issues arising that would, if corrected, improve internal control in general but are not vital to the overall system of internal control.

#	Risk	Recommendation	Management response	Officer and due date
Examination Timetable				
1	● (two)	**Monitoring of Responses** In order to ensure the Examination Timetable is prepared to consider the needs of Students and the Course Convenors, a Special Examination Requirements form is distributed to all Departments in December. Although it is evident the Examinations Office is in regular contact with the Faculty Offices and the Departments regarding their examination needs, and that the team's knowledge and experience enables them to identify those who require chasing, there is no formal recording of the process to monitor when forms are issued and when they are returned. Failing to formally record this preliminary stage of the process could result in requirements being omitted from the initial draft timetable, which in turn could cause delays in the finalising of the Examination Timetable. Our review identified instances whereby the initial email was not passed on to the Course Convenors until after the deadline. A spreadsheet to record when the Special Examination Requirements form has been sent out, and formally recording the responses from the Departments will help monitor those Departments who are not adhering to requests for information. In addition, the spreadsheet could be used centrally, so should there be an absence of staff, others can quickly identify which stage the process has reached. For completeness, the current request form could also be updated to prompt Departments to confirm when there are no requirements.		

#	Risk	Recommendation	Management response	Officer and due date
2	● (three)	**Language Year Abroad Examination Results** There are students who attend classes and sit examinations, as part of their language studies, at overseas Institutes, During our review it was identified that the Institute issued examination results directly to these student, however they were not always received by SOAS on a timely basis for entry into the Student Record System. It is important for the School to ensure the examination results for all their students are entered in the Student Record System, including those studying overseas, as they are still SOAS students, regardless of their study location. The overseas Institutes should be contacted for examination results, so SOAS can record entries within its own Student Record System on a timely basis.		
3	● (three)	**Late Summer Examination Results** The Late Summer examinations take place at the end of August and beginning of September. On review of the Examination Calendar we noted the 48 hour turnaround from examination papers being marked to the results being published to students was extremely tight. As the Late Summer examination papers are written concurrently with the Main Summer examination papers, the School should consider starting the Late Summer examination period earlier in August, to increase the time available between marking and publishing results.		
4	● (three)	**Intercollegiate Relationships** The number of students carrying out their studies at other Institutes has reduced in recent academic years; however it is still crucial for the Examination Timetable preparation that consideration is given to other examination sittings, to avoid clashes for students. SOAS has a good working relationship with the Institutes; however the recording of the communication is not formalised. A formal record of communication with other Institutes will provide confirmation and justification for decisions made within the SOAS Examination Timetable.		

#	Risk	Recommendation	Management response	Officer and due date
5	● (two)	**Timetable Approval** The initial draft timetable is distributed to all Departments in March, prior to being released to the students in April. Currently there is no formal confirmation or sign off of the Examination Timetable, so unless there are issues with the draft version, it is assumed this may be converted to become the final timetable. Through inquiry of key personnel it was explained that last minutes changes may also be requested, which are not formally recorded. Approval from all Departments on the Examination Timetable should be sought.		
Examination Sitting				
6	● (two)	**Monitoring Camera-Ready Papers** In accordance with the examinations calendar the deadline for providing Camera-Ready papers to the Examination Office is mid-March. The Examination Office maintains a spreadsheet that records when Camera-Ready papers are provided; however the results are not fed back to the Departments. During our testing we identified delays ranging from one week to three weeks; however there was no negative impact on the Examination Timetable. A detailed report has been prepared by a member of the Examinations Staff for 2013/14, which highlights the outcome of the Camera-Ready process; showing the Departments that performed well, and those that missed deadlines. This report should be disseminated to the Departments to help improve their internal controls, as well as being discussed at appropriate Committee meetings that are attended by Heads of Departments.		

#	Risk	Recommendation	Management response	Officer and due date
7	● (two)	**Quality of Camera-Ready Papers** Through inquiry and discussion with key personnel it was identified that many Departments tend to rely on the Examinations Office for a final review of their Camera-Ready papers. This is not the responsibility of the Examinations Office staff and can cause delays in sending examination papers to print. The Questions Approval Form (QAF) could be extended to include an approval from within the Department that the Camera-Ready version has been reviewed and approved for presentation and spelling; thus ensuring the full responsibility for the completeness and accuracy of the paper falls within the Department.		
8	● (three)	**Common Errors Guidance** There are a number of errors identified on supposedly Camera-Ready examination papers when they are checked by the Examinations Office. They are errors that occur year on year, which could be avoided if they were shared with the Departments. To improve the quality of the Camera-Ready papers sent to the Examinations Office, and in conjunction with Recommendation 7, a schedule of common errors could act as a guide for Departments when reviewing papers for Camera-Ready approval.		
9	● (three)	**Review of Invigilator Reports** For each examination the Invigilator must issue a report with the examination papers that outlines any issues that may have arisen during the sitting. The form is also returned stating no issues, where applicable. The forms are held with the Examinations Office but are not reviewed or monitored. The forms should be reviewed for issues that arose, especially regarding Examination Papers, as these problems should be fed back to the Departments for improvements to be made where necessary.		

Below we set out the processes tested and the respective risks that this testing provides assurance over. We have also referenced to issues and exceptions and given an assurance level over the processes tested:

Assurance Level	Classification
Significant assurance	Means the system is well designed and only minor low priority recommendations have been identified related to its operation. Might be indicated by priority three only, or no recommendations (i.e. any weaknesses identified relate only to issues of good practice which could improve the efficiency and effectiveness of the system or process).
Significant assurance with minor improvement opportunities	Means the systems is generally well designed however minor improvements could be made and some exceptions in its operation have been identified. Might be indicated by one or more priority two recommendations. (i.e. there are weaknesses requiring improvement but these are not vital to the achievement of strategic aims and objectives - however, if not addressed the weaknesses could increase the likelihood of strategic risks occurring).
Partial assurance with improvements required	Means both the design of the system and its effective operation need to be addressed by management. Might be indicated by one or more priority one, or a high number of priority two recommendations that taken cumulatively suggest a weak control environment. (i.e. the weakness or weaknesses identified have a significant impact preventing achievement of strategic aims and/or objectives; or result in an unacceptable exposure to reputation or other strategic risks).
No assurance	Means the system has not been designed effectively and is not operating effectively. Audit work has been limited by ineffective system design and significant attention is needed to address the controls. Might be indicated by one or more priority one recommendations and fundamental design or operational weaknesses in the area under review. (i.e. the weakness or weaknesses identified have a fundamental and immediate impact preventing achievement of strategic aims and/or objectives; or result in an unacceptable exposure to reputation or other strategic risks).

Area tested	Risks reviewed	Findings / Issues / Exceptions	Assurance
Examination Timetable	The process for producing the examination timetable starts too late in the year, causing delays with the final timetable being released to students	✓ The process commences in December, which is 3 months in advance of the timetable being released to students ✓ The timeframe has been appropriate for many academic years	**Significant assurance**
	If the preparation of the examination timetable is the responsibility of only one/two individuals, absence of key staff could impact timeliness and quality of the final timetable	✓ The production of the Main Summer timetable sits with the Examinations and Assessments Manager ✓ Staff within the Examinations Team are also competent with the compilation of the examination timetable	**Significant assurance**
	Requests for Special Examination Requirements are not sent to the Faculties on a timely basis, which could delay the entire timetable process	✓ The requests were emailed to the Faculties on 17th December 2013 for 2013/14 and on 8th December 2014 for 2014/15 ▪ During testing it was identified that dissemination of the information from the Faculty to the Departments was not always performed on a timely basis (**Recommendation 1**)	**Significant assurance with minor improvement opportunities**
	The Special Examination Requirements forms are not returned on a timely basis, resulting in delays to the production of the draft timetable	▪ It was not possible to review when Special Examination Requirements forms were returned to the Examinations Office, as there is no formal process for recording the distribution and return of the form (**Recommendation 1**)	**Significant assurance with minor improvement opportunities**
	Lack of monitoring the Special Examination Requirements form could result in requests being omitted from consideration for the draft timetable, or requests being made later in the process – both delaying the production of the final timetable	▪ As noted previously, there is no formal process for recording this stage of the Examination Cycle (**Recommendation 1**) ▪ In addition, the process does not require departments to confirm there are no requirements (**Recommendation 1**)	**Significant assurance with minor improvement opportunities**
	Students with potential clashes of exams are not reported to the Sub-Board of Examiners in sufficient time to make other arrangements	✓ The draft timetable is submitted to the Faculties two weeks prior to publication to the students, so departments are able to identify and report clashes for amendments to be made	**Significant assurance**

Summary of work undertaken and risks reviewed

Area tested	Risks reviewed	Findings/ Issues /exceptions	Assurance
Examination Timetable	Courses with overlapped content are not identified, resulting in potential student misconduct and plagiarism Courses with overlapped content that could be sat simultaneously are not identified; therefore resulting in unnecessary or additional space/room requirements	✓ The Overlapping Course spreadsheet is sent to the Faculties for review in December ✓ The spreadsheet is reviewed by the Examinations and Assessments Manager prior to release to the Faculties for accuracy and completeness ✓ Departments are to complete and return the Special Examination Requirements form should they need to inform the Examinations Office of any other courses with overlapping content	**Significant assurance**
	Failing to plan space/room requirements adequately and not booking appropriate external exam venues in advance could result in exams being cancelled	✓ Internal room availability has increased and therefore the use of external facilities is reducing ✓ The School has a good relationship with the Camden Irish Centre, so rooms are booked in advance of the examinations	**Significant assurance**
	Requests from students with learning differences or disabilities are not considered on a timely basis, resulting in them being unable to sit the exam	✓ The Special Assessments Panel meet regularly to discuss the needs of individual students ✓ The Disability Team maintains an ongoing live record for students so changes in circumstances can be easily identified	**Significant assurance**
	Consideration is not made for those students taking exams at other Institutes, resulting in exam clashes	✓ The number of students taking exams elsewhere has reduced in recent academic years ▪ Relationships with intercollegiate are good and communication is apparent from information reviewed; however the process is not formalised (**Recommendation 4**)	**Significant assurance with minor improvement opportunities**
	The timetable is released late; therefore negatively impacting on student performance and overall satisfaction with their learning experience at SOAS	✓ The final timetable was released to the students in April, as per the Examination Calendar ▪ There is no formal confirmation or sign-off of the Examination Timetable by the Departments (**Recommendation 5**)	**Significant assurance with minor improvement opportunities**

Summary of work undertaken and risks reviewed

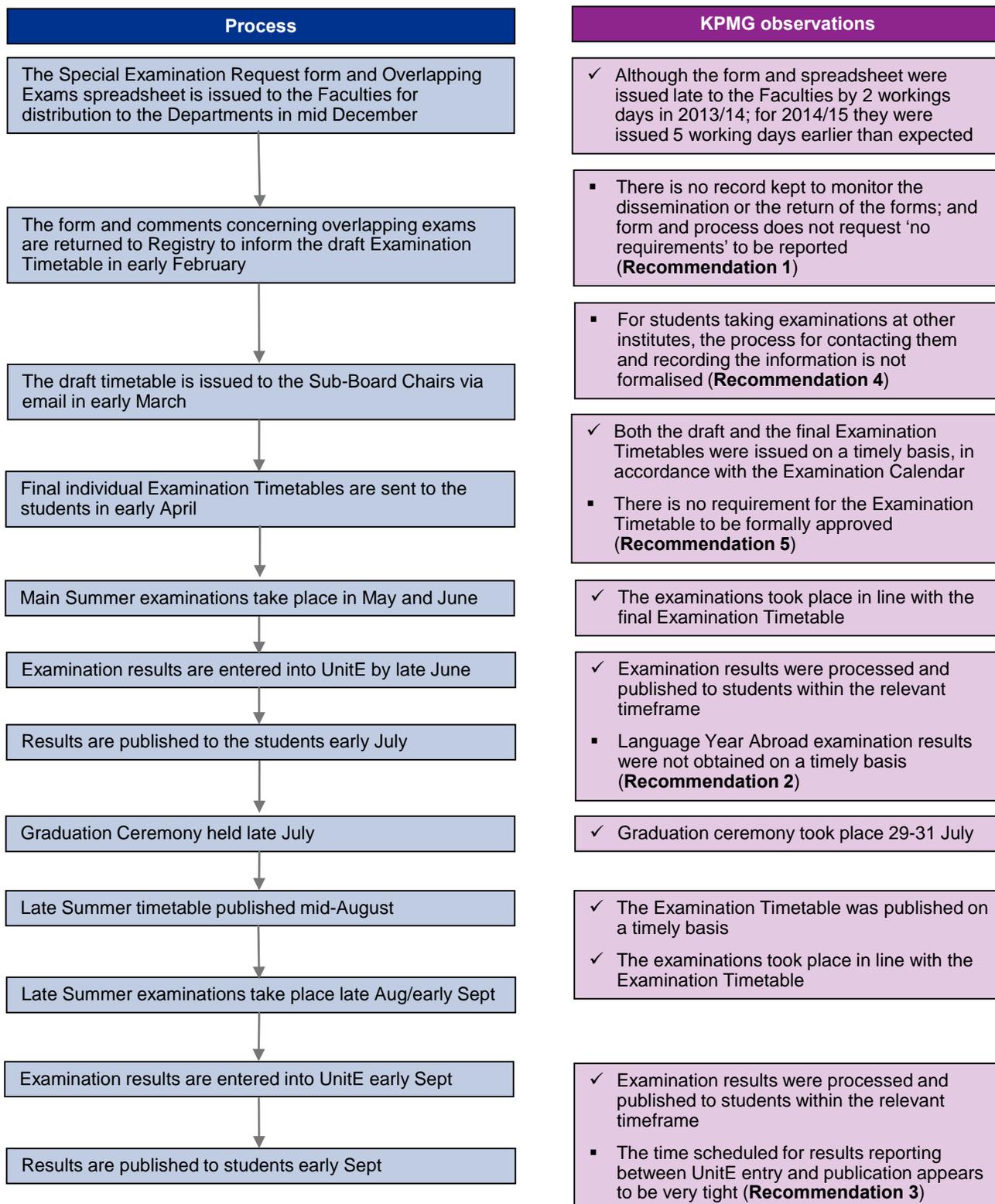| Area tested	Risks reviewed	Findings/ Issues /exceptions	Assurance
Examination Timetable	Inadequate time allowed for the entry of exam marks within UnitE; causing delays in issuing results to students	✓ The Main Summer examination papers are marked and results published in accordance with the Examination Calendar ▪ For the Late Summer examinations the turnaround time from marking papers to the publication of results is very short and could result in late publication of results if insufficient time has been allocated (**Recommendation 3**)	**Significant assurance with minor improvement opportunities**
Examination Setting	Insufficient time is given for the production and approval of exam papers	✓ The initial call for papers is sent to the Departments in December ✓ A schedule of the examinations to take place in the Main and Late Summer sittings is provided so the Departments know exactly how many papers are to be written ✓ The Camera-Ready papers are due to the Examinations Office by mid-March, which is adequate time for production prior to the examination ▪ Camera-Ready papers are not always received by the Examinations Office by the deadline (**Recommendation 6**)	**Significant assurance with minor improvement opportunities**
	Review of the papers by the sub-board of examiners at the annual scrutiny meeting occurs too late	✓ Each Department has its own procedures for scrutinising and approving the examination papers ✓ All papers are to be approved using the Question Approval Form (QAF) ▪ The QAF was not always approved or verified on a timely basis, which has resulted in delays with the Examinations Office receiving Camera-Ready papers (**Recommendation 6**)	**Significant assurance with minor improvement opportunities**
	Visiting Examiners are not appointed on a timely basis	✓ All Visiting Examiners are contacted by the Examinations Office to prepare them for their responsibilities for the forthcoming examination sitting ✓ Visiting Examiners are contracted for a set term ✓ When a Visiting Examiner's term is due to expire the Department is contacted and a nomination form is to be completed ✓ The nomination form is used by the Examinations Office to vet and approve the Visiting Examiner	**Significant assurance**

Summary of work undertaken and risks reviewed

Area tested	Risks reviewed	Findings/ Issues /exceptions	Assurance
Examination Setting	Final papers are printed by Registry that contain errors/are the wrong version	✓ Each Department has its own procedures on version control for examination papers ▪ The Examinations Office can often find errors with the supposedly Camera-Ready papers. The Departments should review and sign-off that a paper has been checked for presentation and spelling (**Recommendation 7**) ▪ There are a number of common mistakes identified during reviews of Camera-Ready papers, which could be listed as a guide to assist Administrators in Departments to provide more accurate Camera-Ready versions of papers in the future (**Recommendation 8**) ▪ Invigilators must provide a signed report based on the examination sitting, which would include errors identified within papers. The reports could be used to monitor the accuracy of papers at examination stage (**Recommendation 9**)	**Significant assurance with minor improvement opportunities**
	The exam papers are not treated as confidential and security is compromised	✓ Each Faculty has its own method for ensuring security of examination papers. No issues were identified during our review ✓ Examination papers are password protected and stored on the Course Convenor's computer ✓ The Examinations Office personally delivers the Camera-Ready papers to the printing department ✓ The finished papers are kept in a locked room within the Examinations Office, which can only be accessed with a security pass	**Significant assurance**
SOAS Institutes	The Institutes are new to SOAS for 2014/15 and may be unaware of their responsibilities within the Examination Cycle	✓ Support and guidance is provided by the Language and Cultures Faculty ✓ The Examination paper for the Main Summer examination has been drafted and is ready for Visiting Examiner verification ✓ The Professor conveyed confidence the deadlines set by the Examinations Office would be met	**Significant assurance**

Examination Timetable

Below we have reviewed the processes around the preparation and publication of the examination timetable:

Process	KPMG observations
The Special Examination Request form and Overlapping Exams spreadsheet is issued to the Faculties for distribution to the Departments in mid December	✓ Although the form and spreadsheet were issued late to the Faculties by 2 workings days in 2013/14; for 2014/15 they were issued 5 working days earlier than expected
The form and comments concerning overlapping exams are returned to Registry to inform the draft Examination Timetable in early February	▪ There is no record kept to monitor the dissemination or the return of the forms; and form and process does not request 'no requirements' to be reported (**Recommendation 1**)
The draft timetable is issued to the Sub-Board Chairs via email in early March	▪ For students taking examinations at other institutes, the process for contacting them and recording the information is not formalised (**Recommendation 4**)
Final individual Examination Timetables are sent to the students in early April	✓ Both the draft and the final Examination Timetables were issued on a timely basis, in accordance with the Examination Calendar ▪ There is no requirement for the Examination Timetable to be formally approved (**Recommendation 5**)
Main Summer examinations take place in May and June	✓ The examinations took place in line with the final Examination Timetable
Examination results are entered into UnitE by late June	✓ Examination results were processed and published to students within the relevant timeframe
Results are published to the students early July	▪ Language Year Abroad examination results were not obtained on a timely basis (**Recommendation 2**)
Graduation Ceremony held late July	✓ Graduation ceremony took place 29-31 July
Late Summer timetable published mid-August	✓ The Examination Timetable was published on a timely basis ✓ The examinations took place in line with the Examination Timetable
Late Summer examinations take place late Aug/early Sept	
Examination results are entered into UnitE early Sept	✓ Examination results were processed and published to students within the relevant timeframe
Results are published to students early Sept	▪ The time scheduled for results reporting between UnitE entry and publication appears to be very tight (**Recommendation 3**)

Examination Setting

Below we have reviewed the processes and controls in place for the production of Examination Papers:

Process	Control	KPMG observations
The Call for Papers is sent out to the Faculties from the Examinations Office in December	1. The Faculty disseminates the information to the Departments	▪ The Call for Papers was not always sent to the Departments on a timely basis, which could create delays in the submission of Camera-Ready papers (**Recommendation 6**)
Examination Papers are written by the Course Convenors in accordance with the examinations list	2. Course Convenors ensure the papers are held securely and are password protected	✓ Each Department has its own methods to ensure security; all of which appear to be adequate
Examination Papers are sent to the scrutiny meeting for discussion and approval	3. A template is used to ensure all papers are formatted correctly	✓ A template ensures papers are presented in a consistent and approved format
	4. Examination Papers are reviewed by members of the scrutiny committee	
Examination Papers are sent to Visiting Examiners for verification	5. Examination Papers are verified by an independent external examiner: Visiting Examiner	✓ The Question Approval Form (QAF). used to sign off Examination Papers, was provided for all the courses in our sample
Camera-Ready papers are sent to the Examinations Office for printing	6. Examination papers are approved by the Chair prior to printing	✓ Examination papers are password protected, or originals are delivered securely
	7. Examination papers are delivered to the Examinations Office in a secure manner	
Examination Papers are distributed to Invigilators as appropriate		✓ Printed Examination Papers are held in the Examinations Office in a locked room until distributed to the Invigilators

## Testing methodology for the Examination Timetable

We have completed sample testing in the following areas:

There were 16 Special Examination Requirements forms returned for 2013/14.

For each of the Special Examination Requirements forms we tested to ensure:

1. The form was distributed to the Faculty on a timely basis
2. The form was disseminated to the relevant Department on a timely basis
3. The form was returned to the Examinations Office by the deadline of 7th February 2014

Results of Testing

■ Considerably overdue ■ Timely basis ■ Unknown
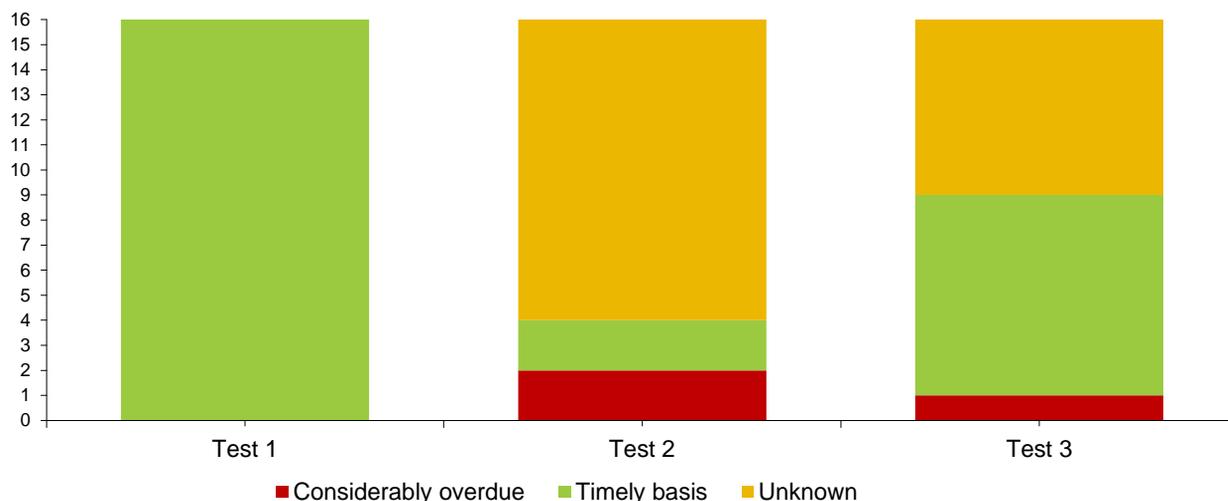
Summary of results

- Test 1: The Examination Calendar for 2013/14 states the Special Examination Requirements form was to be sent out on 13th December 2013; however it was sent out on 17th December 2013. For reporting purposes, the 2 working day delay has still been deemed timely and therefore no issues to be noted

- Test 2: In 2/16 instances the form was identified as being disseminated to the Department after the deadline date of 6th February 2014; in 2/16 instances the form was disseminated to the Department on a timely basis and for the remaining 12/16 it was not possible to confirm when the form was disseminated to the Department (**Recommendation 1**)

- Test 3: In 1/16 instances the form was received by the Examinations Office at least 5 working days after the deadline of 7th February 2014; in 8/16 instances the form was received on a timely basis and for 7/16 instances there was no record of when the form was received (**Recommendation 1**)

We also performed tests on the courses that contained overlapping content and therefore examinations are to be sat simultaneously. A spreadsheet listing the courses is sent out to the Faculties and Departments at the same time as the Special Examination Requirements form.

Using the spreadsheet we selected a sample of 20 courses and tested them against the final Examination Timetable to ensure they were sat at the same time.

Summary of results

- For 20/20 courses in the sample the examinations were sat simultaneously

- By ensuring the courses with overlapping content are sat simultaneously the School reduces the risk of plagiarism and inappropriate misconduct by the students

- Setting examinations simultaneously also reduces the need for additional space requirements, thus reducing costs to the School should external facilities need to be used due to lack of space in the School

Testing methodology for the Examination Setting

We have completed sample testing in the following areas:

We selected a sample of 20 Examination Papers from the final Examination Timetable.

For each of the Examination Papers we tested to ensure:

1. The Question Approval Form (QAF) was verified by the Visiting Examiner on a timely basis

2. The Question Approval Form (QAF) was approved by the Chair on a timely basis

Legend: ■ > 10 days early ■ > 5 days early ■ Circa due date ■ > 5 days late ■ Unknown
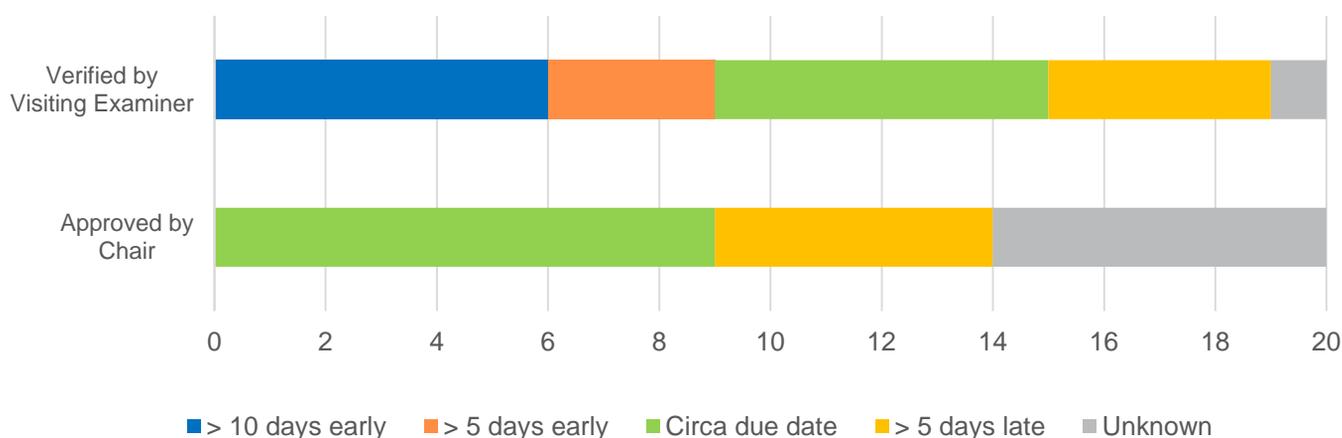
Summary of results

- 1/20 of the QAFs was neither signed nor dated by the Chair or Visiting Examiner and therefore timeliness could not be measured. It is categorised as 'unknown' in the graph above. Scrutiny meeting information was provided to confirm approval of the paper and an email from the Visiting Examiner confirmed verification.

- In 4/20 instances the QAF was verified by the Visiting Examiner after the deadline of when Camera-Ready papers are expected to be with the Examinations Office (**Recommendation 6**)

- 5/20 QAFs were not approved by the Chair until after the deadline. 1/5 QAFs was late from the Visiting Examiner in the first instance (Law); however for 4/5 the Visiting Examiner had signed within the deadline so the delay occurred within the Economics Department (**Recommendation 6**)

- 5/20 QAFs, all from the Japan and Korean Department, were not signed off by the Chair following verification from the Visiting Examiner and therefore could not be tested for timeliness. The QAF for this Department is not the same format as used elsewhere due to the volume of courses. Scrutiny meeting evidence provides approval confirmation.

Testing of operating effectiveness: Examination Cycle

Using the same 20 courses from QAF testing, we followed the Examination Paper through to Camera-Ready and printing stage to ensure the timeliness of production.

The graph below shows the results of the Camera-Ready Examination paper being received by the Examinations Office by department:

Legend: ■ Circa due date ■ > 5 days late ■ > 10 days late
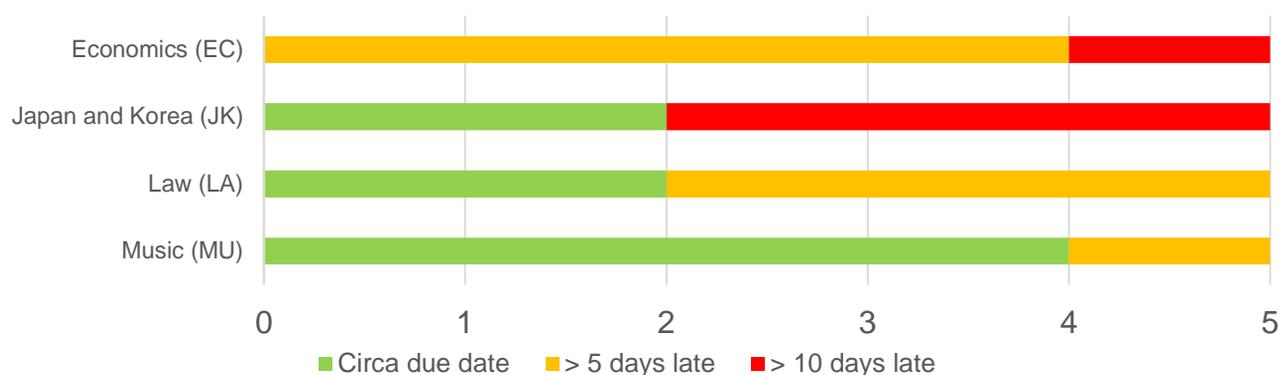
Summary of results

- Each Department has its own method for monitoring the timeliness of providing Camera-Ready Examination papers to the Examinations Office. No issues were identified with the controls; however timeliness was an issue for Economics and Japan and Korea

- The results from the testing supported a report produced by the Examinations Office whereby it was identified >60% of Examination papers in the Languages and Culture Faculty were received more than 8 weeks past the deadline of 14th March 2014 (**Recommendation 6**)

- The report prepared by the Examinations Office also outlined the % of papers that required corrections, even though the Department has deemed them Camera-Ready. According to the handbooks for Chairs of Sub-Boards of Examiners, it is the responsibility of each Sub-Board Chair to ensure that the final approved papers are prepared to the standards set down by the Registry (section 3.3) (**Recommendation 7 and 8**)

- Despite the delays in providing Camera-Ready papers to the Examinations Office, all papers within the sample were printed at least 20 days in advance of the Examination Sitting

- For the same sample of 20 courses, original Invigilator reports were reviewed for potential errors with the final Examination Paper. Although there were no issues identified from the sample, a method to record comments from the Invigilators that specifically relate to the Examination Paper should be reported (**Recommendation 9**)

There are two Institutes at the School of Oriental and African Studies: SOAS China Institute (SCI) and SOAS South Asia Institute (SSAI). Each of the Institutes commenced their Master programmes during the 2014/15 academic year.

The Masters level teaching programmes were set up to encourage individuals to take their studies further. The Institutes are funded by HEFCE, with the backing and support of the Language and Culture Faculty to ensure the students continue to receive the learning experience they expect from SOAS.

In discussion with Professor Michel Hockx at the China Institute, he explained the Examination Cycle for the Masters will fall in-line with that of the Faculty and he is in discussion with them to ensure his Institute adheres to the same Examination Cycle protocols as the Faculty.

- ✓ The Examination Paper has been drafted and reviewed, using the same template as issued to the Departments, and is to be forwarded to the relevant Visiting Examiner for verification in January 2015

- ✓ The Institute will follow the guidelines issued by the Examinations Office to ensure Camera-Ready papers are approved by the deadline of 13th March 2015

- ✓ The examination has been registered with the appropriate awarding body

- ✓ The examination results will be entered into UnitE by the Institute Administrator

The South Asia Institute offers a two year programme, which commenced in academic year 2014/15; however there is no requirement for an Examination Paper in the Summer 2015 examination sitting. As with the China Institute, South Asia is also supported by the Language and Culture Faculty and will adhere to the same Examination Cycle.

We undertook interviews in January 2015 with key stakeholders to inform this work, including**:**

Name	Title
John Peck	Head of Registry
Ian Lamey	Examinations and Assessments Manager
Elaine Jakeman	Faculty Support Manager – Law and Social Science (LSS)
Debbie Nelson	Faculty Officer – Languages and Cultures (LCU)
Professor Michel Hockx	SOAS China Institute
Lucy Driver	SOAS China Institute

During our testing, we reviewed the following documents:

Title
Examination Calendar 2013/14 and 2014/15
Examination Timetable 2014
Special Assessment Panel meeting minutes
Sub-board of Examiners meeting minutes