University of Exeter
Audit and Risk Committee

MINUTES AND ACTIONS – APPROVED BY AUDIT AND RISK COMMITTEE
28 June 2024 (10am-2pm), Pearson Teaching Room (Building One) and online via Microsoft Teams

NB text in BLACK is for publication; text in BLUE will be redacted for publication.

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81 Procurement Competition Waiver (PCW) Report
82 Chair's Closing Remarks
83 *Closed Session for Independent Members of Audit and Risk Committee Members Only (not minuted)*

ACTIONS

Item	Action	Owner	Deadline
72.17	**ACTION:** that rather than undertaking a further audit on Information Governance in the Academic Year 2024-25, further consideration of related data security risks would be incorporated as part of the IT Third Parties Audit, with a particular focus on IT contracts, wider cultural change issues and consideration of data issues in Information Governance.	Kate Lindsell	July 2024
72.17	**ACTION:** that further consideration would be given to whether an audit of Digital (including Digital Strategy and implementation of major systems implementation programme and optimisation) should be prioritised over the Estates Capital Planning and governance arrangements in light of the strategic importance of Digital and significant increase in terms of revenue investment in recent years.	Kate Lindsell	September 2024
72.17	**ACTION:** that the risks surrounding failure to deliver strategy 2030 would be provisionally included in the internal audit plan for AY 2025/26.	Kate Lindsell	July 2024

72.17 72.17	**ACTION:** that the internal audit plan for Academic Year 2024-25 would be submitted to Council for Information on 10 July 2024. **ACTION:** that further discussion would be undertaken with PwC, the Chief Financial Officer and Senior Vice-President and Registrar & Secretary to finalise the plan with the incoming Chair of Audit and Risk Committee.	Jeremy Diaper Tim Weller	June 2024 September 2024
72.18	that in the Academic Year 2024-25, the Terms of Reference would continue to be shared with the Chair of Audit and Risk Committee to ensure the objective was clearly defined and informed subsequent discussions at Audit and Risk Committee.	Tim Weller	July 2025
73.4	**ACTION:** that further consideration would be given to streamlining the content of the horizon scanning section to ensure there was a suitable focus on any emerging issues which had arisen at short notice.	Divisional Director, UCS	September 2024
75.14	**ACTION:** that in the Academic Year 2024-25 the Chair of Audit and Risk Committee would provide further guidance and key questions ahead of each of the deep dives to help inform preparations and development of materials.	Tim Weller	July 2024
75.14	**ACTION:** that the deep dive on financial sustainability would be co-ordinated by the Chief Financial Officer, but would also have wider input from the Senior Vice-President and Provost and Senior Vice-President and Registrar and Secretary on wider institutional approach to maintaining financial sustainability.	Dave Stacey / Joe Wall	July 2024
75.14	**AGREED:** to approve the proposed deep-dive risk programme for the Academic Year 2024-25, subject to final input and guidance from the Chair of Audit and Risk Committee.	Tim Weller	July 2024

DECISIONS

Item	Decision	Paper No.

73.4	**Agreed:** to endorse the final iteration of the 2023/24 risk management report to Council.	Jeremy Diaper
75.14	**AGREED:** to approve the proposed deep-dive risk programme for the Academic Year 2024-25, subject to final input and guidance from the Chair of Audit and Risk Committee.	Tim Weller

Attendees

Members Present

Nicholas Cheffings	Chair and Independent Member
David Dupont	Independent Member (online via Microsoft Teams)
Tim Weller	Independent Member (online via Microsoft Teams)
Simon Enoch	Independent Member
Alison Reed	Independent Member

In attendance

Dan Charman	Senior Vice-President and Provost
Dr Michael Wykes	Divisional Director, University Corporate Services
Dave Stacey	Chief Financial Officer
Joe Wall	Director of Finance
Ben Lawlor	Insurance, Audit and Risk Manager
Matthew Elmer	PwC, Internal Audit
Mo Abbass	PwC, Internal Audit
Chrysten Cole	General Counsel
Bethany Wheatcroft	KPMG, External Audit
Kate Lindsell	Assistant Director, Compliance and Risk

Apologies

Mike Shore-Nye	Senior Vice-President and Registrar & Secretary
Rees Batley	KPMG, External Audit
Alison Breadon	PwC, Internal Audit

Secretary

Dr Jeremy Diaper	Assistant Director, Governance (minutes)

Support Staff

Jean Lloyd	Committee Secretariat Administrator

<u>65. Closed Discussion for Independent Members of Audit and Risk Committee</u>

65.1 A closed discussion was held for Independent Members of Audit and Risk Committee. The

Assistant Director (Governance) was also in attendance.

66. Welcome and Declarations of Interest

66.1 The Chair welcomed members to the Audit and Risk Committee meeting. There were no new declarations of interest in relation to agenda items under discussion.

66.2 The Chair noted that apologies had been received from Mike Shore-Nye (Senior Vice-President and Registrar & Secretary), Rees Batley (KPMG) and Alison Breadon (PwC).

67. Minutes of the Meetings of 9 May 2024 (AUD/63/23-24 Strictly Confidential)

67.1 The minutes of the meetings of 5 March 2024 were **APPROVED,** subject to minor amendments to minute 60 on the Public Interest Disclosure Policy (Whistleblowing) Procedure to include an action to report back to the Audit and Risk Committee on exploring continuous improvements in relation to the Public Interest Policy and Procedure.

68. Action Log (AUD/64/23-24 and AUD/64a/23-24 Strictly Confidential)

68.1 The Audit and Risk Committee noted the action log and status of the actions which had been received for information.

69. Business Schedule Academic Year 2023-24 and 2024-25 (AUD/64/23-24 and AUD/64a/23-24 Strictly Confidential)

69.1 The Audit and Risk Committee noted the Business Schedule for the current Academic Year and forthcoming Academic Year 2024-25 for information.

70. Matters Arising (Verbal Update)

a) Verbal Update on the Voluntary Severance Scheme

70.1 the Voluntary Severance Scheme, The Exeter Release Scheme (TERS), had opened for applications from academic and professional services colleagues on Tuesday 7 May 2024 and closed on Friday 7 June 2024. Completed TERs cases had been considered by the relevant Faculty and Divisional review panels between 10 – 21 June 2024 and the overall University review panel was scheduled to review all recommendations on the 4 and 5 July 2024 to make a final decision on all applications;

70.2 TERS was an entirely voluntary scheme and all applications would be considered on a case-by-case basis and only supported if it could be demonstrated that the departure of an employee would be in the strategic, financial and operational interests of the institution;

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b) Verbal Update on Insurance Renewal Process

70.3 the majority of the University's insurance policies were currently brokered by AON and due for renewal. The collation of relevant information and preparations for the tender of the University's insurance portfolio was approximately 80% complete. In relation to FX Plus, the University of Exeter's Insurance Team was in the process of collating data and this was progressing well;

70.4 the University had engaged a third-party surveyor to provide valuations for the property portfolio. The initial estimates indicated that there was a significant uplift in property value by c. 6.2%;

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70.7 an assurance report on the University's Insurance arrangements was scheduled for consideration at the Audit and Risk Committee meeting on 30 September 2024.

c) Verbal Update on Cyber Security Briefing Session with Divisional Director IT Services

70.8 as part of the onboarding of the incoming Chair of Audit and Risk Committee ahead of the Academic Year 2024-25, a Cyber Security Briefing session had been facilitated with the Divisional Director of IT services to provide a detailed understanding of the University's Cyber Security Strategy, roadmap and wider HE sector insights;

70.9 the briefing session had helped to provide assurance on the technical elements of the University's cyber security defence strategy. In relation to data security risks the Committee recognised that it would be important to instil a cultural change amongst the academic community to ensure a more robust and rigorous approach to categorising data and data storage was embedded across the organisation. It was emphasized that it was critical to ensure there was a clear overarching institutional understanding and awareness of where all confidential and personally sensitive data was located;

70.10 the Committee noted that a number of mitigations had been introduced to respond to data security risks, including:

71.10.1 UEB approval of transitioning to a mandatory requirement for all staff to undertake Information Governance and Security Training on an annual basis;

71.10.2 a newly introduced self-assessment toolkit to drive forward targeted improvements and identify areas where further measures were necessary;

71.10.3 updating of the pre-award risk assessment to include data security issues for research projects;

70.11 in discussion: that whilst there had been an immediate need to focus on clearing a backlog of subject access requests, Data Protection Impact Assessments and Freedom of Information requests, there was a need to effectively transition towards a more proactive approach to managing data security issues; that it would be important to ensure rigorous governance oversight and understanding informed decision making surrounding third party IT suppliers to help mitigate cyber security risks and ensure a more detailed understanding of the frameworks they need to operate within; that with the emergence of AI there was a need to ensure there was suitable institutional awareness and understanding surrounding the risks pertaining to data protection and commercial sensitivity issues and the individual role and responsibilities to manage and mitigate this;

70.12 PwC had undertaken a number of internal audits in 2023-24 which had addressed Data Protection Issues, including the Data Protection Impact Assessment presented to Audit and Risk Committee on 9 May 2024. Further work would be undertaken to address these findings and ensure suitable controls and mitigations were in place to manage the risks.

71. External Audit Plan: Matters Arising (Verbal Update)

71.1 that good progress was being made against the External Audit Plan, with work being finalised on the INTO lease and likely to be completed ahead of schedule;

71.2 that the Chief Financial Officer would be meeting with Rees Batley (PwC) outside of the meeting to undertake a light-touch effectiveness review following the completion of the external audit programme in alignment with current sector best practice.

72 Internal Audit

a) Progress Report 2023/24, including Completed Reports and Recommendations (AUD/66/23-24 Strictly Confidential)

72.1 it was noted that good progress was being made in the delivery of the 2023/24 internal audit plan. The fieldwork and reporting dates for some reviews had been adjusted based on requests from management to change the original planned timing of the audit work, which would result in more audit work being undertaken later in the year as detailed in the report;

72.2 that the Chief Financial Officer would be meeting with Rees Batley (PwC) outside of the meeting to undertake a light-touch effectiveness review following the completion of the external audit programme in alignment with current sector best practice.

b) Internal Audit 2023/24: HR Survey (AUD/67/23-24 Strictly Confidential)

72.3 the objective of the review had been to assess the design and operating effectiveness of the controls in place to implement and monitor the progress of the action plan resulting from the first Culture Conversation Survey;

72.4 the University had taken positive measures to gather regular feedback from staff through the surveys, with the approach being changed to generate more regular and targeted insight. A high level central action plan had been developed in response to the results which had highlighted key themes and action areas such as growth, workload, and diversity of leadership;

72.5 the internal audit had identified one medium risk and three low risk findings. The overall classification of the report had been reduced from medium to low on basis of further discussions with management and additional evidence provided;

72.6 key areas identified for improvement included clearly assigning action owners, prioritisation and target dates to help facilitate the monitoring and tracking of actions; enhancing the periodic reporting on progress against the central action plan; and providing greater support for onboarding with the Peakon survey tool and further clarity surrounding expectations for development and oversight of local level action plans.

c) Internal Audit 2023/24: Student Welfare (AUD/68/23-24 Strictly Confidential)

72.7 the student welfare internal audit had been focused on providing independent assurance regarding the implementation of the Student Mental Health and Wellbeing delivery plan, which had been developed in response to a high-profile incident and subsequent recommendations from the coroner's report;

72.8 the Audit and Risk Committee commended the thorough and diligent institutional response to the tragic incident and significant amount of work that had been undertaken to enhance the University's student welfare provision and deliver the recommendations following the external review into Student Mental Health and Wellbeing. In addition, the Committee also welcomed the proactive approach being adopted to communicating with parents and pragmatically managing their expectations at an early stage, by highlighting the University's legal responsibilities and diplomatically outlining the boundaries and limitations of the institutional capabilities;

72.9 the audit had identified four low risk findings and areas for improvement including incorporating prioritisation ratings to assigned recommendations on the Delivery Plan to determine areas of high risk / high priority, providing high-level summary reporting on the overall status of the Delivery Plan to provide an overview of current progress, streamlining the Mental Health and Wellbeing Delivery Plan and Action Plan from the Coroner's report into one overarching Action Plan and reflecting further on how actions from the overarching Action Plan could consider different student groups;

72.10 in discussion: that it was recognised that over the last few years there had been a rapid increase in the number of students across the sector with complex mental health issues and requiring higher levels of support, but that it was difficult to ascertain whether this was continuing to rise; one of the most accurate measures for determining the health and wellbeing of students remained the student progression rate, which provided a strong indication of successful student engagement and support; that the institution wide-approach to student mental health and wellbeing would enable the University to continue to monitor the emerging needs of students; that whilst the University continued to main proactive engagement with NHS and improve processes and data-driven approaches, it remained challenging to provide the level of clinical support required for certain students who presented with more complex or higher needs, especially in instances where there may have been a gap in understanding of diagnosis prior to their arrival; that the University was typically reliant on students self-declaring prior mental health issues, albeit on some occasions schools would reach out to proactively provide information regarding prior longstanding mental health issues.

d) Internal Audit Risk Assessment and Plan 2024/25 (AUD/69/23-24 Strictly Confidential)

72.11 the Audit and Risk Committee considered the internal audit plan for 1 August 2024 to 31 July 2025 and proposed audit reviews to be completed which had been driven by the University of Exeter's organisational objectives and priorities and most significant risks faced by the University. Consideration had also been given to the risks and control environment associated with each area, the areas it was felt the University would benefit from an internal audit, previous areas of focus and the earlier discussion on the draft plan by the Committee in May 2024;

72.12 it was noted that the scope of the Marketing and Student Recruitment Internal Audit would enable consideration to be given to the operational processes relating to the use of overseas agents;

72.13 following discussion of the draft version of the internal audit plan at UEB on 13 June 2024, it had been agreed that the Curriculum for Change programme would be incorporated towards the end of the Audit Plan for 2024/25 (rather than in in 2025/26 as previously planned). It had also been agreed that an audit should be undertaken on Transnational Education, with a particular focus on design controls in relation to identifying partners, contractual arrangements, monitoring and reporting;

72.14 that consideration would be given to research cost recovery within the audit on the HESA data return, as Research England requirements specified an internal audit had to be undertaken on this every 5 years;

72.15 in relation to Artificial Intelligence it was agreed that it would be premature to undertake an audit at this stage and would be deferred to AY 2025-26;

72.16 it was recognised that due to the emerging changes to the Public Contract Regulations and uncertainty surrounding when the requirements would be in this had not been prioritised for the Audit Plan in 2024-25. It was anticipated that the overarching processes were likely to be compatible with requirements of the existing Procurement legislation and rules. It was not anticipated that there would be any significant risk in in continuing in current guise as long as the University continued to follow overarching principles;

72.17 in relation to whether a further audit on Information Governance and data breaches should be undertaken it was recognised that a significant level risk remained outwith the Data Protection legislation, Data Loss Prevention and DPIA processes and that these would be monitored as part of follow up actions on prior audits. The implementation of the ICO framework continued to be monitored in detail and there was sufficient clarity surrounding risks, with a key focus of activity on embedding changes around training to enable self-assessment of relevant risks.

AGREED: that rather than undertaking a further audit on Information Governance in the Academic Year 2024-25, further consideration of related data security risks would be incorporated as part of the IT Third Parties Audit, with a particular focus on IT contracts, wider cultural change issues and consideration of data issues in Information Governance.

AGREED: that further consideration would be given to whether an audit of Digital (including Digital Strategy and implementation of major systems implementation programme and optimisation) should be prioritised over the Estates Capital Planning and governance arrangements in light of the strategic importance of Digital and significant increase in terms of revenue investment in recent years.

AGREED: that the risks surrounding failure to deliver strategy 2030 would be provisionally included in the internal audit plan for AY 2025/26.

AGREED: that the internal audit plan for Academic Year 2024-25 would be submitted to Council for Information on 10 July 2024.

ACTION: that further discussion would be undertaken with PwC, the Chief Financial Officer and Senior Vice-President and Registrar & Secretary to finalise the plan with the incoming Chair of Audit and Risk Committee.

e) **Verbal Update on process for eliciting feedback on Terms of Reference**

72.18 in the Academic Year 2024-25 the Chair of Audit and Risk Committee would continue to receive the final Terms of Reference via email, to provide a mechanism for ensuring there was greater scrutiny on agreeing and defining the objective of each individual audit, but that these would not be circulated more widely with the wider committee to avoid any delays in progressing with audits.

ACTION: that in the Academic Year 2024-25, the Terms of Reference would continue to be shared with the Chair of Audit and Risk Committee to ensure the objective was clearly defined and informed subsequent discussions at Audit and Risk Committee.

73. Risk Management Report 3 (AY 2024-25) and Horizon Scanning (AUD/70/23-24 Strictly Confidential)

73.1 the third and final risk report of the 2023/24 risk management cycle was presented to the committee for endorsement to Council;

73.2 the revised format, content and presentation of the risk management report was welcomed by the Committee and it was noted that it had been updated in response to recent feedback. The full corporate risk register (including all 73 risks) was available on request but would no longer be formally presented to the committee;

73.3 in relation to the risk CR53 (failure to meet planned PGT numbers) this was still classified as very high despite of the identified mitigations, but this should continue to be monitored closely to ensure this resulted in a reduction to the overall risk score;

73.4 that whilst Strategy 2030 was captured within the overarching thematic risks in Figure 4 the risk surrounding failure to deliver Strategy 2030 was not currently reflected as a separate risk in the risk report as it pertained to a number of other risks.

ACTION: that further consideration would be given to streamlining the content of the horizon scanning section to ensure there was a suitable focus on any emerging issues which had arisen at short notice.

AGREED: to endorse the final iteration of the 2023/24 risk management report to Council.

74. Financial Forecast 2023/24 (Verbal Update)

74.1 the final financial forecast would be presented to Council on 11 July 2024. The operating surplus was currently forecast to be £17.4m, which was an improvement of c. £4m on the previous forecast;

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75. Deep Dive Risk Programme Academic Year 2023-24

a) CR12: Risk of Non-Delivery of Sustainable Research and Innovation Environment and Culture

The Chair invited Professor Krasi Tsaneva-Atanasova (Vice-President and Deputy Vice-Chancellor, Research and Impact) and Drs Astrid Wissenburg (Divisional Director of Research Services) to the meeting.

75.1 the Audit and Risk Committee undertook a 'deep dive' session on the risks of non-delivery of the commitments to a sustainable research model and culture as outlined in the Corporate Strategy and Research and Impact strategy, including adhering to associated Concordats other agreements;

75.2 it was noted that this currently had a 'moderate' risk score and that the impact included inability to meet regulatory and stakeholder requirements; financial loss, loss of reputation and credibility for the organisation and the negative impact on the environment and society;

75.3 that the likely causes of the risk materialising would be insufficient resources and funding for sustainable practices, lack of commitment to sustainability in research and innovation and limited awareness and understanding of sustainable practices;

75.4 the specific risk had been created in 2020 and the initial risk score had been high reflecting the significant impact of any adverse consequences across the University. It was noted that there were a number of controls to reduce the likelihood of the risk materialising, they did not reduce the potential impact across the university, leading to an overall current risk rating of moderate.

75.5 the series of further planned actions were noted, including the development of a monitoring framework to support the Concordat for Environmental Sustainability, reshaping the ethics committee structure, targeted use of external research culture funding; and implementation of new open access repository software to ensure compliance requirements;

75.6 in relation to research cost recovery:

75.6.1 a lot of work had been undertaken on working with Professional Services and the wider academic community to raise awareness and understanding of the importance of improving research cost recovery and ensure research activity and performance was being delivered in the most effective way;

75.6.2 clear guidance and tools had been developed to ensure a targeted focus on accurately costing research in grant applications;

75.6.3 Associate PVCs and Directors of Research in each Faculty and Department were helping to raise wider awareness of cost recovery and there had already been signs of improvement as a result of this institution-wide approach;

75.6.4 the University had implemented a new Research Management System, powered by Worktribe, to help academic researchers manage the full lifecycle of the research and to enable them to see the impact of costing different types of recovery across certain projects;

75.6.5 the University continued to benchmark the percentage of cost recovery in relation to the rest of the sector. Whilst the level of cost recovery was variable according to the specific funding body, the University typically expected all proposals to the UKRI to achieve as close as possible to c. 80% of full economic costs for UKRI research projects. There were also a limited number of funders who provided 100% of full economic costs, so the University was aiming to maximise and take advantage of this level of cost recovery where possible;

75.6.6 further guidelines were in development in collaboration with Exeter Innovation to provide clarity surrounding expectations of commercial regional partnerships and working with business and external organisations, with a minimum target of at least 110% of full economic costing which was the first time this had been implemented;

75.6.7 a balanced and sustainable portfolio approach was being developed to ensure that the University was simultaneously seeking to recover 80% or more of economic costing from certain funders and maximise funding from commercial funders, whilst also empowering early career researchers to secure research funding for strategic or developmental reasons;

75.7 in relation to research ethics it was noted that further work was being undertaken to explore reshaping the ethics committee structure to enhance central oversight of the ethical framework and management of trusted research;

b) <u>CR12: Risk of Non-Delivery of Sovereign Strategy for Research and Impact</u>

75.8 the Audit and Risk Committee noted that the failure to deliver any or all of the three commitments due to internal or external factors would lead to financial costs, reputational damage and reduced competitiveness and innovation capacity;

75.9 it was noted that the moderate risk rating had been informed by legal and contractual requirements around open and ethical research and institutional priorities. Likely factors which could cause the risk materialising included inadequate management and documentation practices, insufficient investment in research and development, and a lack of a clear and coherent research and impact strategy;

75.10 a number of controls were in place to reduce the potential impact of the risk including formal review of major research and impact initiatives to ensure alignment to aims and delivery of objectives, annual review meetings in June-July with Departments involving relevant faculty leadership, Heads of Department and Directors of Research to allow for assessment of progress, challenges and opportunities;

75.11 whilst the current management of the risk was considered proportionate, further reflection would be required in the context of the development of a new strategy n 2025, the external impact of a potential change in government, and wider institutional financial challenges;

75.12 further work was being undertaken in relation to the development of the trusted research framework to enable a more detailed understanding of specific challenges so that a preaward assessment of risks could be proactively identified and managed, including due consideration of potential risk assessments, due diligence and health and safety issues. It was noted that utilisation of technology could be explored further to enhance efficiency of processes and maximise the ability to draw on relevant subject matter expertise and signpost to relevant guidance;

The Chair thanked Professor Krasi Tsaneva-Atanasova (Vice-President and Deputy Vice-Chancellor, Research and Impact) and Drs Astrid Wissenburg (Divisional Director of Research Services) for their contribution to the meeting.

75.13 in reflecting on the first risk 'deep dive' the Audit and Risk committee agreed that it was beneficial for the focus to be directed at risk management and how these were being addressed, but that it was important amidst a wide range of activity to hone in on the key controls that were being utilised to mitigate, control and address risks and the effectiveness;

75.14 it was recognised that it was challenging to develop a standardised set of guidance for the deep dive risk programme as the particular issues to be covered would vary according to the individual risks being considered.

ACTION: that in the Academic Year 2024-25 the Chair of Audit and Risk Committee would provide further guidance and key questions ahead of each of the deep dives to help inform preparations and development of materials.

AGREED: that the deep dive on financial sustainability would be co-ordinated by the Chief Financial Officer, but would also have wider input from the Senior Vice-President and Provost and Senior Vice-President and Registrar and Secretary on wider institutional approach to maintaining financial sustainability.

AGREED: to approve the proposed deep-dive risk programme for the Academic Year 2024-25, subject to final input and guidance from the Chair of Audit and Risk Committee.

76. <u>Assurance Report on Import / Export Control and Trusted Research Framework</u>

76.1 in accordance with the UUK guidelines on Managing Risks in Internationalisation (security related issues), the annual report was submitted to provide assurance on management of security related risks in the Academic Year 2023-24;

76.2 the Audit and Risk committee noted the research growth and ongoing work to continued to enhance compliance in relation to international partnerships, collaborations and research growth, including enhanced approached to learning development and communications;

76.3 further work was planned in the Academic Year 2024-25 to ensure the academic community were engaged, including: embedding and operationalising the Partnership Principles and associated processes and tools, creating training and guidance supporting good due diligence assessment, linking the due diligence and partnership principles into the TRF toolkit; implementing a refresher programme for all staff F grade and above in relation to mandatory corporate conscience training.

77. <u>Review of Response to Industrial Action in 2022/23</u>

77.1 The University had diverted significant senior management and operational resources to managing and mitigating the impact of the UCU national industrial action throughout the 2022/23 academic year. Following the consultation of the industrial action, the Gold Group commissioned the University's internal auditors, PwC, to undertake a review of our response with a view to identifying "lessons learned" for future industrial action;

77.2 in response to the review, UEB had approved an action plan with 7 recommended actions as detailed in full in Appendix 1. This included agreeing an overarching communications strategy between gold and silver groups, conducting scenario planning sessions to consider responses to a range of what-if scenarios and ensuring regular review of the terms of reference, membership of groups and delegated authority;

77.3 it was recognised that in reviewing the membership of the terms of reference and membership of the Industrial Action Response Group consideration should be given to ensuring there was sufficient subject matter expertise amongst membership and clarification surrounding bronze, silver and gold escalation and response thresholds.

78. OfS Assurance Report (AUD/75/23-24 Confidential)

78.1 the Committee noted the report which provided assurance following recent correspondence and communication to the Office for Students in relation to three key elements of the ongoing Conditions of Registration:

78.1.1 the University of Exeter's Student Protection Plan (Condition of Registration C3)

78.1.2 the enhancements relating to Good Governance (Condition of Registration E2)

78.1.3 Reportable Events (Condition of Registration F3)

78.2 the Committee noted that the Updated Student Protection Plan (which had been updated in close consultation and collaboration with students to ensure their views, interests and needs were taken into account) had submitted to the OfS in April 2024. The OfS Directorate had confirmed that as the changes were not considered substantial and did not reduce the amount of student protection previously it was not required to be formally reapproved;

78.3 the University had reported to the Office for Students the associated recommendations of the Council Assurance Review in accordance with the requirement to notify the OfS of a 'reportable event' under ongoing condition of registration F3.

79. Data Assurance Update (AUD/76/23-24 Confidential)

79.1 the Committee noted that all statutory deadlines were met for the key returns and no significant data quality issues had been identified;

79.2 the key statutory returns reported included the Office for Students, Annual Financial Return and the Higher Education Students' early statistics return. Due to challenges with the implementation of the Data Futures programme, the HESES deadline for providers required to submit the 2023-24 student data had been extended to 18th January 2024;

79.3 the current status and response to the recommendations from the PwC insights report ('Spotlight on Higher Education – Data Futures'.

80. Procurement Competition Waiver Report (AUD/77/23-24 Confidential)

80.1 the Procurement Competition Waiver (PCW) report provided details regarding the PCWs that were reviewed, approved or rejected by Strategic Procurement, a summary of the value and volume of procurement competition waivers approved by month on a rolling 12 month basis up to May 2024, and the approved PCWs for the period March 2024 – May 2024;

80.2 the committee were assured that the PCW raised for urgent enabling works in relation to the

West Park student residential project had been appropriately scrutinised and was considered the correct approach for the business as the required timescale for delivery genuinely precluded competitive tendering and was outside of the University's control;

80.3 the Procurement team continued to challenge requests where it did not feel there was sufficient justification to meet the criteria for a PCW to be approved;

80.4 the new procurement regulations would embed a consistent approach on how conflicts of interest were applied to academics employed at the University with their own spin out companies. Further work was being undertaken on the development of an updated IP Policy to provide further rigour, clearer guidelines and greater transparency around fundamental principles in alignment with new procurement regulations.

81. Closing Remarks

81.1 on behalf of the Audit and Risk Committee, the incoming Chair of Audit and Risk Committee offered sincere thanks to the outgoing chair, Nicholas Cheffings, for their exceptional contribution to the committee and work undertaken to enable continuous effectiveness.

82. Closed Discussion held for Independent Members of Audit and Risk Committee

82.1 A closed discussion was held for Independent Members of Audit and Risk Committee.