

**NORWICH UNIVERSITY OF THE ARTS**

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**Minutes of Audit Committee**

**Held on 22 February 2019 in the Conference Room, FH201, Francis House, Norwich**

**Present**

Mr A Grimbly (Chair)  
Ms A Ferguson  
Mr P Norton  
Mr T Wood

**In attendance**

Ms S Beavis, KPMG, External Auditor  
Mr S Belderbos, Director of Finance, NUA  
Mr M Jones, RSM UK, Internal Auditor  
Mrs A Robson, Deputy Vice Chancellor, NUA  
Ms A Tubb, Registrar, NUA  
Mr D Williams, Clerk

**Apologies**

None

**1. MINUTES OF THE PREVIOUS MEETING**

The minutes of the Audit Committee meeting held on 29 October 2018 were agreed and signed by the Chair.

The minutes of the joint Audit and Finance and Resources meeting held on 29 October 2018 were agreed.

**2. MATTERS ARISING FROM THE MINUTES**

There were no matters arising, which had not been appropriately actioned or closed.

**3. QAA MATTERS**

**3.1. OfS and QAA publications**

The Committee received a list of publications released by the Office of Students (OfS) and Quality Assurance Agency (QAA) since its last meeting. A new publication relating to the UK Quality Code and one containing updated guidance from the OfS on the transparency condition of registration were drawn to the Committee's attention. The Committee noted the publications.

**3.2. Course Approval and Periodic Review 2018/19**

The Committee received a report on progress with course approval and periodic review for 2018/19. The Committee noted the report.

**3.3. Update on External Accreditation**

The Committee received a summary of the status of external accreditation of the University's courses. Anticipated changes to the future accreditation policy of ScreenSkills (formerly Creative Skillset) were likely to reduce the range of the University's courses eligible to gain accreditation. The changes were unlikely to significantly affect recruitment to the courses likely to be no-longer eligible for accreditation. Should any adverse effect be noted, other forms of accreditation could be considered on a course by course basis.

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### 4. INTERNAL AUDIT

#### 4.1. RSM Progress report

The Committee received a progress report from the internal auditors. The internal auditors had completed the agreed internal audit programme for 2018/19.

#### 4.2. Final report – UKVI Compliance Arrangements Tier 2 and Tier 4

Following its review, the internal auditor had judged that the governing body could take substantial assurance as to the controls that the University uses to manage risks with regard to Tier 2 and Tier 4 students enrolled with the University. Only one medium and two low priority findings required action. The Committee noted the report.

#### 4.3. Final report – Cyber Security

The Committee received a report from the internal auditors on cyber security, which had looked at whether effective controls were in place with respect to incident management and the users' education awareness. Following their work, the internal auditors reached an opinion of reasonable assurance as to the controls in place to manage cyber security. The internal auditors had agreed with management four medium and three low priorities for action.

The Committee held a discussion on cyber security with a focus on the internal audit findings and website security. The Chair mentioned that it was possible to obtain a third party benchmarking assessment of an organisation's website security. It was agreed the University would examine the costs/benefits of undertaking such an assessment.

**Deputy Vice Chancellor**

#### 4.4. Final report – Key Financial Controls – IRS35 Compliance and Income & Debtors

The audit had examined three areas with regard to key financial controls – IRS35 compliance, income and debtors. The internal auditors had found that the governing body could have substantial assurance as to the controls that the University used with regard to the three key control areas tested.

#### 4.5. Final-report – Follow-Up

The internal auditors confirmed that following testing they were able to confirm the implementation of previously identified agreed audit actions by management. The findings confirmed that a culture existed within the University of improvement and implementation.

#### 4.6. Internal Audit Management Recommendations Status Report

The Committee received the report which showed the status of all recommendations made by the internal auditor over the last two completed audit cycles. All recommended actions for both cycles had been completed.

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### 5. ASSURANCE

#### 5.1. Insurance Cover

The committee reviewed an annual report on the University's insurance cover. Few insurance claims had been made by the University during the year, and the University had benefited from helpful advice from its main insurer, UMAL.

Following enquiries from a number of universities, including NUA, UMAL was planning to offer a new cover called Cyber & Data insurance. The cover would not however cover losses arising from payment deception.

It was confirmed that additional insurance cover was often sought for the external works exhibited in the University.

#### 5.2. Report on the University's activities and liability to taxation

The committee reviewed an annual report on the University's activities and its liability for tax. The recovery of Value Added Tax by the University remained the most significant challenge and focus.

The committee noted the report.

#### 5.3. Risk Assessment relating to Bribery, Failing to prevent other parties from evading tax and Money laundering

The Committee received an updated risk assessment for bribery, money laundering and failing to prevent others evading tax. One of the highest risk areas continued to be the use of overseas agents to recruit international students. To minimise this area of risk, the University used a range of actions, including requiring all tuition fees paid by international students to be paid directly to the University.

### 6. GDPR

#### 6.1. Annual Report

The Committee received the annual report on General Data Protection Regulation (GDPR). The report contained an updated action plan, annual monitoring summary, information security incidents and the lawful basis of processing. The majority of actions arising from the earlier advisory review undertaken by the internal auditors had been completed.

#### 6.2. Legal Basis for Processing

The Committee reviewed the information presented on the legal basis of processing. It was agreed that it would be helpful to add information to the cells in the column headed 'article 9 basis for processing special category data', indicating where the data was not being transferred to another area of activity. It was also agreed to review one of the entries relating to the work of the human resources department to add additional information.

**Registrar**

It was confirmed that the University had received no complaints from students in respect of the use of personal data.

The Committee approved the legal basis for processing data.

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### 7. DATA QUALITY

#### 7.1. Statutory and Regulatory Reports

The Committee noted the report on Statutory and Regulatory Reports. It was agreed that future reports, might include a statement confirming that the University had successfully submitted all of the required Statutory and Regulatory Reports by their due submission date.

**Deputy Vice Chancellor**

### 8. RISK MANAGEMENT

#### 8.1. List of low likelihood/High Impact Risk as of October 2018

The Committee reviewed the low likelihood/high impact risks.

The Committee explored how the University assured the teaching quality of its courses. In practice multiple-channels and sources of information were used. For signs of problems, student retention, progression and achievement data was carefully monitored on a course-by-course basis. Peer observation allowed the delivery of taught sessions to be reviewed, while strong links between the registry function and student representatives provided another channel by which students could raise concerns about teaching quality.

Following a recent report in the press about staff workloads, the Committee explored the question of staff welfare and demands on staff. The University's newly introduced central timetabling system for courses and staff workloads allowed the full-range of demands on academic staff to be incorporated in their work programme. Further, to help manage the demands on academic staff, additional professional support staff had been appointed to reduce the demands on academic staff to provide pastoral support for students. 'Teaching squares' run by the University's Head of Learning and Teaching offered support for newly appointed academic staff.

The risks around a major systems failure were discussed. The installation of what turned out to be a rogue piece of hardware at the end of 2018 had provided the University with live situation, which tested the resilience of its procedures for dealing with a major information systems failure. The procedures had allowed the University to successfully manage the major systems failure. A lessons learnt report was being compiled and would shortly be shared with key staff.

### 9. DONATIONS

#### 9.1. Large Donations Policy and notification of a large donation to the University

The University had received a large donation of artefacts valued at circa. £250k. In accordance with the large donations policy the Donations Committee had completed the required checklist to assess whether the donation conformed to the University's policy. Completion of the checklist had confirmed that this was the case. On this basis the donation had been accepted.

The Committee approved the minor changes to the Large Donations Policy.

### 10. ANY OTHER BUSINESS

There was no matters of any other business.

### 11. DATE AND TIME OF NEXT MEETING

The next meeting of the Committee would take place on Friday 7 June 2019 at 14.00.