



Matters Arising

Outcome requested:	Audit and Risk Committee is asked to note the matters arising from the minutes of the meeting held on 02 September 2020.
Executive Summary:	N/A
QMUL Strategy: strategic aim reference and sub-strategies	The effective management of the Queen Mary's governance arrangements underpins the ability to achieve the strategic aims.
Internal/External regulatory/statutory reference points:	N/A
Strategic Risks:	N/A
Equality Impact Assessment:	Not required
Subject to prior and onward consideration by:	Considered by the Committee only.
Confidential paper under FOIA/DPA	No
Timing:	N/A
Author:	Nadine Lewycky, Assistant Registrar (Governance)
Date:	24 September 2020
Senior Management/External Sponsor:	David Willis, Chair of Audit and Risk Committee

Actions from meeting of: 02 September 2020

Minute no.	Action	Person responsible	Progress
2019.077[a]	<p>Minutes and executive summary of the meeting held on 23 July 2020 [ARC2019/54] Minute 2019.068[h] It was noted that the deck presented highlighted the low level of Information Security maturity and the lack of some basic controls. It was unclear from the deep dive material what level of risk was being run. The Committee would receive the IT risk registers in the new year.</p>	Committee Secretary	The confidential minutes have been updated with the new wording.
2019.078[c]	<p>Matters arising [ARC2019/55] Criteria for reporting cyber security incidents The Committee asked for “significant” to be more clearly defined and questioned whether the threshold of 10 affected individuals was too low. The criteria could be amended in future if the Committee received a high number of reports. The criteria would be shared with the Co-Chair of the Higher Education Cyber Security group for comment.</p>	Chief Information Officer; Monica Chadha	An update to the Committee will be provided at the meeting on 29 October. An oral update on engagement with the Deloitte HE Cyber Security group will be provided at the meeting.
2019.079[a]	<p>August financial gateway [ARC2019/56] The paper had been discussed at Council which had approved the Senior Executive’s recommendations on cost savings. The position on student numbers remained uncertain, particularly in relation to overseas postgraduate taught (PGT) students. There would be greater certainty on our position after the last enrolment date in early October. A further gateway would be conducted at the end of October. The Committee would receive an update on the Strategic Risk Register and the separate Covid-19 risk register at the next meeting.</p>	Director of Strategic Planning	The Strategic Risk Register and Covid-19 risk registers have been included with the papers for this meeting under item 4.
2019.079[e]	<p>August financial gateway [ARC2019/56] The Office for Students (OfS) had requested a revised 2020–21 budget and forecasts to be returned in October. It was expected that the return would be used</p>	Interim Finance Director	A paper on the process has been included in the meeting papers under item 7.

	to assess the overall health of the sector before the full returns were submitted in February 2021. It did not require Committee (or Council) approval, but the Committee would receive an update on the process at the next meeting and the return would be circulated for information in October.		
2019.080[b]	<p>Internal audit reports [ARC2019/57] Business Continuity</p> <p>The Committee said that there remained questions about Queen Mary’s ability to put in place the right control environment. The long-term vacancy in the Business Continuity Manager role had impacted on the progress of the recommendations. There was a balance to be struck between finding the right person and exposing ourselves to risk. Management was encouraged to think about the controls and interim measures that could be put in place in the event of long-standing vacancies. This year’s annual compliance report would identify the key compliance roles and any vacancies would be flagged to the Committee in matters arising</p>	Chief Governance Officer and University Secretary	An overview of key compliance roles has been appended to the matters arising.
2019.083[a]	<p>Annual schedule of business 2020–21 [ARC2019/58]</p> <p>The Committee had agreed at a previous meeting that the internal audit plan for 2020–21 would be developed in stages. The Committee would receive the updated plan for approval in November.</p>	Committee Secretary	This has been added to the schedule for November.
2019.083[b]	<p>Annual schedule of business 2020–21 [ARC2019/58]</p> <p>The schedule would be updated to provide more granularity about the business to be discussed at the second October meeting.</p>	Committee Secretary	The schedule has been updated and appended to the matters arising.
2019.083[c]	<p>Annual schedule of business 2020–21 [ARC2019/58]</p> <p>The internal audit report stated that the business continuity group would feed into the Committee. Clarity</p>	Chief Governance Officer and	<p>The Committee will receive updates on the work of the business continuity group through the executive in the following ways:</p> <ol style="list-style-type: none"> a. the internal audit tracker and associated updates; b. the compliance section of the strategic risk register;

	was needed on how this would be reported to the Committee.	University Secretary	c. the annual legal compliance report.
2019.083[d]	<p>Annual schedule of business 2020–21 [ARC2019/58]</p> <p>The Committee agreed that, due to the volume of business this autumn, any deep dives would be postponed to the new year. It was suggested that the Committee may wish to discuss the new CUC HE Audit Committee Code of Practice alongside the annual committee effectiveness review in the spring. Reputational risk may lend itself to a deep dive later in the year.</p>	Committee Secretary	This will form part of the effectiveness review in spring 2021.
2019.085[a]	<p>Any other business</p> <p>Reputational risk</p> <p>An issue in relation to reputational risk was raised by the Chair of Remuneration Committee at the last Council meeting. A detailed discussion of the governance of reputational risk was delegated to the Committee. There needed to be a clear process for reporting and escalating reputational risk and a common understanding of “significant reputational risk”. The Committee agreed that the Chief Governance Officer and University Secretary should report on the scope of a review at the November meeting and a full discussion would be held in March 2021.</p>	Chief Governance Officer and University Secretary	<p>In November, the Committee will receive a report on the scope of the review which will cover:</p> <p>a) the effectiveness and awareness, of the controls on reputational risk, including controls for identifying and escalating risks; and</p> <p>b) how we define different levels of reputational risk, including the level of risk to be escalated to the governing body</p>
2019.086[a]	<p>Any other business</p> <p>Future meetings</p> <p>The Committee discussed the return to meetings on campus. The Committee agreed that blended meetings were not effective and provided an unsatisfactory experience. The Chair said that he was concerned about continuing to hold virtual governance meetings when staff and students were expected to be on campus. The Committee agreed that, given the business to be considered at the meeting in</p>	Chief Governance Officer and University Secretary	The Committee Secretary will liaise with members regarding the arrangements for the Committee meeting in November.

	November, a meeting in person would be essential. Internal discussions on meeting logistics would continue and reported back to the Committee at the next meeting.		
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ANNEX A: Current status of key compliance roles

At its meeting on 2 September, the Audit and Risk Committee requested assurance that key compliance roles at Queen Mary are not being left vacant. This update focuses on compliance areas which, taking into account internal and/or external factors, have previously been identified for enhanced reporting to the Committee through the compliance section of the strategic risk register. There are currently no vacancies for key roles in these areas. A more comprehensive picture will be provided for the meeting on 10 November as part of the annual legal compliance report.

Equality

Head of Equality, Diversity and Inclusion, Human Resources — interim in post and the future configuration of the role is under review

Head of Student Wellbeing, Student and Academic Services — in post

Business Continuity

Business Continuity Manager, Estates and Facilities — in post

Health and Safety

Director of Health and Safety, Principal's Office — in post

Biological Safety Adviser, Principal's Office — in post

Chemical Safety Adviser, Principal's Office — in post

Fire Safety Adviser, Principal's Office — in post

Head of Health and Safety, Estates and Facilities — in post

Information Compliance

Records and Information Compliance Manager, Secretariat — in post

Head of Information Security, IT Services — in post

Immigration Compliance

Admissions Manager (Compliance), Admissions — in post

Assistant Academic Registrar (Student Enquiries, Exams and Awards and Immigration Compliance), Registry — in post

Head of Operations and Information, Human Resources — in post

CMA Compliance

Deputy Academic Registrar, Secretariat — in post

Assistant Director of Communications — in post

Head of Digital Communications and Planning, Communications — in post

Prevent Duty Compliance

Director of Student and Academic Services — in post

OFS Compliance

Director of Finance — interim in post and recruitment of Chief Financial Officer at final interview stage

Chief Governance Officer and University Secretary — in post

Deputy Academic Registrar, Secretariat — in post

Chief Governance Officer and University Secretary

25 September 2020

Annex B: Updated ARC Schedule of Business 2020-21

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Audit and Risk Committee Schedule of Business 2020–21

01 October 2020

The meeting will be preceded by an *in camera* meeting with the Internal Auditors.

Risk Management	Deep dive presentation (TBC)
	Strategic Risk Register and Covid-19 risk register
	Whistle blowing cases since the last meeting, including 2019–20 annual report
	Update on external risks
Financial Control	Fraud/financial irregularities occurring since the last meeting
	Value for Money annual report
Statutory and Regulatory Compliance	Annual report on research integrity
Internal Audit	KPMG update on internal audit recommendations
	Planned internal audit reports (TBC)
	Internal audit annual report 2019–20
External Audit	External Audit 2019 Management Letter: progress report on actions
	External Audit 2019 interim comments (oral report)
Committee Management and Reporting	ARC Annual Report 2019-20 Draft 1

29 October 2020

Statutory and Regulatory Compliance	External Audit Letter of Representation and Annual Report 2019–20
	External audit Audited Financial Statements

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10 November 2020

The meeting will be preceded by an *in camera* meeting with the External Auditors.

Risk Management	Deep dive presentation (TBC)
	Whistle blowing cases since the last meeting
	Information Governance bi-annual update
Financial Control	Fraud/financial irregularities occurring since the last meeting
Statutory and Regulatory Compliance	Assurance arrangements for statutory returns
	Fire, Health and Safety annual report
	Interim update on compliance management
	Legal Compliance report
Internal Audit	Planned internal audit reports (TBC)
External Audit	Audited Financial Statements 2019–20
	External Audit Opinion on Financial Statements 2019–20
	External Audit Management Representation Letter
	External Audit annual report
Committee Management and Reporting	ARC Annual Report 2019–20 Draft 2

January 2021

Statutory and Regulatory Compliance	2019-20 TRAC process approval
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09 March 2021

Risk Management	Deep dive presentation (TBC)
	Strategic Risk Register
	Whistle blowing cases since the last meeting
Financial Control	Fraud/financial irregularities occurring since the last meeting
Statutory and Regulatory Compliance	Health and Safety Annual report
Internal Audit	Planned Internal Audit Reports (TBC)
	KPMG update on internal audit recommendations
	Annual review of Internal Auditor appointment
External Audit	External Audit Plan 2020–21 and fees
	Annual review of External Auditor appointment
Committee management and reporting	Review of Committee Terms of Reference, membership and effectiveness

08 June 2021

Risk Management	Deep dive presentation (TBC)
	Strategic Risk Register
	Whistle blowing cases since the last meeting
	Update on external risks
	Information Governance bi-annual update
Financial Control	Fraud/financial irregularities occurring since the last meeting
	Policies requiring review/approval (TBC)
Statutory and Regulatory Compliance	OfS assurance reports: Annual Funding Data Reconciliation Exercise
Internal Audit	Planned Internal Audit Reports (TBC)
	Internal audit plan 2020–21
Committee Management and Reporting	Annual Schedule of Business 2021–22