



**Minutes of the meeting of the Audit Committee  
held at 4.00 pm on Thursday, 10 November 2016  
1B16 - Technopark, SE1 6LN**

**Present**

Steve Balmont (Chair)  
Shachi Blakemore  
Mee Ling Ng  
Roy Waight

**External Auditors**

Carol Rudge	Grant Thornton
Nick Taylor	Grant Thornton

**Internal Auditors**

Charlotte Bilsland	PricewaterhouseCoopers
Justin Martin	PricewaterhouseCoopers

**In attendance**

David Phoenix  
Natalie Ferer  
Richard Flatman  
Michael Broadway  
Pervena Singh

**Apologies**

James Stevenson

**1. Welcome and apologies**

The Chair welcomed members to the meeting.

Apologies had been received from James Stevenson.

**2. Declarations of interest**

No interests were declared on any item on the agenda.

**3. Minutes of the previous meeting**

The minutes of meeting held on 22 September 2016 were approved for publication, with the proposed redactions.

4. **Matters arising**

There were no matters arising from the previous minutes which were not already included on the agenda.

5. **Quality assurance return to HEFCE**

*Shân Wareing joined the meeting*

The committee discussed the quality assurance return to HEFCE in detail. The committee noted that under the new HEFCE requirements the Board will, for the first time, be required to sign an annual statement to confirm that the Board is assured that LSBU is maintaining its responsibility for improving student academic experience and student outcomes, and that academic standards are set and appropriately maintained.

The committee noted that aspects of quality assurance are regularly reported to the Board through the Vice Chancellor's report, Key Performance Indicators report and the corporate strategy progress report.

The committee noted how LSBU's quality processes were mapped to national quality expectations. The committee noted the action plan for continuous improvement of the student academic experience.

Following the review by the Academic Board and the committee's review of the supporting documentation, the committee recommended the full assurance statement to the Board for approval.

*Shân Wareing left the meeting*

6. **Audit Committee business plan**

The committee noted its business plan.

7. **Prevent annual return**

*Ian Mehrtens joined the meeting*

The committee reviewed the Prevent annual report, which had been recommended by the executive. The report demonstrated how LSBU had had due regard to the need to prevent people being drawn into terrorism. The committee recommended the Prevent annual report to the Board for approval and for submission to HEFCE.

*Ian Mehrtens left the meeting*

8. **External audit findings**

The External Audit partner of Grant Thornton, external auditors presented the audit findings for the year ended 31 July 2016. It was reported that the audit

was substantially complete pending the finalisation on a few outstanding items. No material weaknesses had been identified.

The External Audit partner confirmed Grant Thornton's independence from LSBU.

**9. Internal Audit Annual Report**

The committee noted the final internal audit annual report. The report would be sent to HEFCE.

**10. Going concern statement**

The committee approved the going concern review and recommended that the Board signs the accounts (which are prepared on a going concern basis). The review provided assurance for the going concern statement in the annual report and accounts.

**11. External audit letter of representation**

The committee discussed the letter of representation to the auditors, which was recommended to the committee by the executive. The committee noted that the letter contained standard representations only and that no items had been inserted specific to LSBU or as a result of any matters arising during the course of the audit. The committee recommended the letter to the Board for approval.

**12. Draft report and accounts for year to 31 July 2016**

The committee reviewed the draft report and accounts for 2015/16. The surplus was £3.3m.

The committee received assurance from the Chief Financial Officer that no matters had arisen since the last report to the September 2016 audit committee meeting that would prevent a full compliance statement being made in the annual accounts. The Chair requested a further update at the November 2016 Board meeting.

The committee recommended the accounts to the Board for approval, subject to minor amendments while the audit was being completed.

**13. Audit Committee annual report**

The committee approved the draft audit committee annual report to the Board, as recommended by the executive, subject to the Chair reaching a formal conclusion on the speak up matter. The final report, signed by the Chair of the Audit Committee would be submitted to HEFCE.

**14. Public benefit statement**

The committee approved the final version of the public benefit statement for inclusion in the annual report, subject to minor amendments.

**15. External audit performance**

The committee noted that Grant Thornton, the external auditors, had achieved their agreed key performance indicators and there were no concerns during the course of the audit.

**16. Review of non-audit services**

The committee noted that during the year 2015/16 Grant Thornton had provided corporation tax advisory services with a value of £4,188, VAT advice services with a value of £3,693 and FRS102 transition review with a value of £6,000.

**17. Internal audit progress report**

The committee noted the internal audit progress report for 2016/17 and the final report on data security (reviewed at the audit committee meeting of 22 September 2016).

The committee noted the new requirement to review the internal audit service every five years. An update would be provided to the next meeting.

**18. Internal audit report - Human Resources**

The committee noted the internal audit report on the review into the planned replacement of the Oracle HR system with an integrated I-trent product. The report classified the findings as a low risk.

The committee discussed findings on incorporating lessons learned into future projects.

**19. Corporate risk register**

The committee discussed the corporate risk register and noted the new risks on student system operations and quality assessment, which were being reviewed by the executive.

**20. Annual value for money report**

The committee approved the annual value for money report which demonstrated how the university had met its value for money obligations during 2015/16. The report would be submitted to HEFCE.

21. **Modern Slavery Act statement**

The committee approved the amended modern slavery act statement on behalf of the Board. The statement had been recommended by the executive.

22. **Anti-fraud, bribery and corruption report**

The committee noted the anti-fraud, bribery and corruption report. No matters had been identified since the last Audit Committee meeting.

23. **Anti-bribery policy review**

The committee approved the Anti-bribery policy.

24. **Speak up report**

The committee noted the Speak Up report.

One anonymous speak up issue had been raised, since the last meeting in relation to the Hall of Residence restructuring.

The speak up issue is linked to the outstanding speak up issue and would be considered together. An update would be provided at the next meeting.

25. **Matters to report to the Board following the meeting**

The committee noted that the annual report and accounts, the going concern statement, letter of representation to the auditors, the audit committee annual report and the review of internal controls would be reported to the Board meeting of 24 November 2016.

**Date of next meeting**  
**4.00 pm, on Tuesday, 7 February 2017**

**Confirmed as a true record**

..... (Chair)