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LIVERPOOL HOPE UNIVERSITY

AUDIT COMMITTEE 12th March 2025

PRESENT: Mr S Townley (in the Chair), Ms L Martin-Wright, Ms D Shackleton, Ms S Suchoparek.

By invitation: Ms D Chamberlain, Dr P Haughan (for item 5), Mr J Leyshon, Dr L Lightfoot, Ms C McLean, Ms S Merriman, Ms I Milner, Prof C Ozanne (Vice-Chancellor), Mr S Parker, Dr W Simpson

Secretariat: ~~Mr D Dykins~~, Marc Jones

1. Conflicts of interest

No conflicts of interest were declared.

2. Minutes of the Previous Meeting

Members had received the minutes of the meeting held on 7th November 2024 and those were **APPROVED** as a correct record.

3. Matters Arising

Members noted that a number of matters raised in previous meetings required attention.

- (i) Scheme of Delegation: Mr Leyshon informed members that a working group has been established to review and update the Scheme of Delegation and Articles of Association, adding that the issue is being treated as a priority. Professor Ozanne added that following changes to the University's organisational structure and in light of the governance review, the Articles of Association are now out of date and in need of updating, a process which will involve negotiation with the University's trustees. Ms Suchoparek asked whether a final version of the Scheme of Delegation would be available in time for the next meeting of the committee. Professor Ozanne responded that this would depend on progress re the Articles of Association. Ms Martin-Wright requested that the working group provide an update on progress to the next meeting. The Chair asked Mr Leyshon to add an item on the Scheme of Delegation to the agenda for the next meeting.

ACTION: Mr Leyshon to add agenda item, as above. Working group to provide progress report, as above.

- (ii) Procurement Policy: Mr Parker informed members that the updated policy has now been uploaded to the University website, adding that staff members have been made aware of the updated policy via the staff bulletin.
- (iii) I3 Building Post-Occupancy Review: The Chair asked whether this had taken place. Ms McLean informed members that the building is still at the defects identification position,

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adding that once this stage is over on 29th May 2025, the Post-Occupancy Review will take place.

- (iv) Value For Money Report: Ms McLean informed members that she is in the process of completing this following Ms Beecroft's retirement. Ms Martin-Wright noted that the committee has not received the Value For Money Report for twelve months.
- (v) Anti-Fraud Policy: Dr Lightfoot informed members that Mr Catterall has passed the review of the policy to her, adding that she is currently working on it. The Committee requested sight of the updated policy at its next meeting.

ACTION: Mr Leyshon to add agenda item, as above.

- (vi) Modern Slavery Statement: Ms Martin-Wright informed members that Ms Beecroft had sent her three options for updated wordings, to which Ms Martin-Wright had responded expressing her preference.
- (vii) Ms Shackleton requested that an action tracker be added to the minutes of each meeting.

ACTION: Mr Jones to add action tracker, as above.

- (viii) Staffing Update: Professor Ozanne informed members that Dr Lightfoot has joined the University as Chief Operating Officer, with responsibility for Finance, Procurement, Estates, Campus Services, IT Services, Conferencing and Plas Caerdeon. Professor Ozanne informed members that Mr Leyshon has joined the University as Head of Governance. Professor Ozanne informed members that the Interim Chief Information Officer leaves the University at the end of the month, adding that the University is in the process of appointing a Head of IT Services, who will manage the IT Services team. Professor Ozanne informed members that the University will be engaging a Chief Digital Officer on a six-month consultancy basis, adding that the officer will be responsible for delivering the new Digital Strategy. The Chair asked whether the impact of this number of changes at senior level was being managed in terms of finance reporting deadlines etc. Dr Lightfoot assured members that this was the case, adding that Ms McLean is currently leading on preparations for interim finance returns.
- (ix) Ms Suchoparek asked for an update in relation to Unit 4. Ms McLean informed members that cloud migration is scheduled for May 2026.

4. Internal Audit Reports

- (i) Framework review for compliance with the Universities UK/ Guild HE Code of Practice for the Management of Student Housing

Members had received the framework review for compliance with the Universities UK/ Guild HE Code of Practice for the Management of Student Housing. Members noted the 'Substantial Assurance' rating provided by the report, and the two management actions (one medium, one low). Dr Simpson reminded members that the review takes place every three years, with all buildings covered on a nine-year cycle. Ms Martin-Wright noted the review's finding that the University's CCTV Code of Practice had not been reviewed since 2012. Dr Simpson undertook to look into this.

ACTION: Dr Simpson to look into review of CCTV Code of Practice, as above.

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The Chair noted the review's assertion that the Major and Serious Incident Plan was scheduled to be presented to University Council in December 2024 and commented that he did not believe this had happened. Mr Leyshon informed members that the Major and Serious Incident Plan Group (of which he is Chair) meets regularly. Ms Merriman added that the Major and Serious Incident Plan is now complete and asked Mr Leyshon to check whether it had been presented to UEB.

ACTION: Mr Leyshon to check re Major and Serious Incident Plan and UEB.

(ii) Internal Audit Progress Report

Members had received the Internal Audit Progress Report. Ms Suchoparek noted the status of 'Timing to be confirmed' against the Data Governance Framework audit. Ms Merriman informed members that the audit had been postponed due to staff changes but is now scheduled for June 2025.

(iii) Management Tracking of Implementation of Internal Audit Recommendations

Members had received the tracker. Re the action relating to the Students' Union Strategic Plan, Dr Haughan informed members that the plan has now been produced. The Chair asked members whether they thought it necessary for the committee to review the Students' Union Strategic Plan. Members confirmed that they did not think this necessary. Dr Haughan informed members that the University now has a member of staff sitting on the Students' Union Board of Trustees, and will continue to do so in the future.

(iv) Briefings for information

Members had received the briefings for information. Ms Shackleton noted the section relating to research funding and asked whether the University is maximising its ability to access such funding. Professor Ozanne informed members that the University is in contact with a number of external agencies, including discussions with the Liverpool City Region Combined Authority.

5. Project Updates

Dr Haughan updated members on progress with the Academic Framework. Dr Haughan informed members that this is the first project the University has undertaken using the new Project Management Framework. Dr Haughan informed members that the academic framework is moving from terms to semesters, and from 60-credit units to 30-credit units. Dr Haughan added that staff are being updated on the project via a dedicated section of the University website, as well as regular email bulletins. Dr Haughan informed members that the new framework will go live in September 2025.

6. Students' Union

(i) Students' Union Financial Statements 2023-24

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Members had received the Students' Union Financial Statements for 2023-24. Ms McLean informed members that the statements have been signed off by the external auditors and will be uploaded to the Charity Commission by the end of April.

- (ii) Summary of Students' Union Financial Data 2024-25 to date
Members had received the summary of the Students' Union financial data 2024-25 to date. The Chair asked Ms McLean if the University had any concerns re the Students' Union accounts. Ms McLean responded that the University currently has no cause for concern in this area. The Committee noted that the Students' Union were almost entirely dependent on the grant from the University and that the year end cash balance held by the SU had increased significantly in recent years.

Ms Suchoparek voiced the opinion that a standing agenda item in relation to the Students' Union was unnecessary and requested that Students' Union business be brought to the committee only when an issue arose. Members concurred with this suggestion.

7. Risk Management

- (i) Risk Register

Members had received the updated draft of the University Risk Register. Ms Merriman reminded members that the current draft has been produced following a meeting of RMOG but has not yet been presented to UEB. Ms Merriman informed members that the risk relating to the settlement of the i3 Building account has been removed from the register as this issue has been resolved. Ms Merriman drew members' attention to the risk relating to Bellmont, informing them that RMOG have suggested raising the risk rating due to the increased number of students taking this provision. Ms Shackleton suggested that University Council be presented with 5-10 strategic risks deemed by the University to be 'key risks'. Professor Ozanne suggested that the number of risks on the register could be reduced by combining some of the risks, adding that UEB would consider this in due course.

Ms Suchoparek requested that narrative be added to the register where necessary, explaining reasons for movement in key risks. Ms Merriman undertook to do this.

ACTION: Ms Merriman to add narrative to risk register, as above.

- (ii) Management Discussions on Risk Issues

Members had received the report detailing recent management discussions on risk.

- (iii) Risk Management Oversight Group Minutes

Members had received minutes of the meeting of the Risk Management Oversight Group which took place on 17th February 2025.

8. Economic Crime and Corporate Transparency

Members had received the paper outlining the requirements of the Economic Crime and Transparency Act 2023. Ms Suchoparek asked whether the University would be able to

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work in concert with other HEIs in the area in relation to this. Dr Lightfoot confirmed that she is looking into possibilities around this. Dr Simpson informed members that RSM has produced materials in relation to the legislation in question and undertook to distribute it to members.

ACTION: Dr Simpson to distribute material, as above.

Members noted that the Act required the University to review its approach to fraud prevention strategies to ensure they meet the new requirements.

9. Procurement

(i) Procurement Policy

Members had received the updated Procurement Policy. In addition to the communications work to raise awareness of the updated policy (see 3(ii), above) Mr Parker informed members that members of SMT and Heads of School have received updated training on procurement processes. The Chair asked whether detailed procurement procedure instructions and a procurement manual sits under the policy. Mr Parker responded that colleagues seeking guidance in relation to procurement are advised to contact him. The Chair asked whether all procurement actions at the University was put through Unit 4. Ms McLean confirmed that this was the case. Ms McLean also confirmed that only minor expenditures were made using the GPC cards. Ms Shackleton raised the issue of separate departments within the University buying identical goods from different suppliers and queried whether this could be avoided. Mr Parker assured members that all new supplier requests pass through a workflow during which they are challenged. Ms Martin-Wright queried the security of such an arrangement, voicing the opinion that Finance acting as a back-stop provided insufficient rigour to the procurement process. Ms Martin-Wright added that the updated policy lacked reference to the Modern Slavery Act, analysis of supply chains, social governance, the Bribery Act, value for money and net zero. Dr Lightfoot assured members that she and Mr Parker would work to further update the policy and bring it to the first meeting of the 2025-26 academic year.

Ms Martin-Wright asked whether the University has a contracts register. Professor Ozanne confirmed that this was the case, adding that the register would be presented to Audit Committee when it has been presented to UEB.

(ii) Unit 4 Update

Members had received the Unit 4 update. Ms McLean informed members that she is overseeing the project team put in place to manage this process, adding that the new system will go live in March 2026. The Chair expressed members' concern that UEB had been presented with the move to Unit 4 as a 'fait accompli', with insufficient time to fully review or consider the full costs and potential risks of moving to the Cloud. The Chair asked whether the move to Unit 4 is on the risk register. Ms McLean confirmed that it is on Finance's local risk register. Professor Ozanne added that the change is being managed via the new Project Management Framework. The Committee asked to be kept informed of developments on this important project.

10. British Computer Society Update

Dr Haughan informed members that the University has contacted all students affected by the issue with the British Computer Society accreditation, offering them the opportunity to

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make a complaint via the Head of School. Dr Haughan added that the response rate to this communication has been low so far. Dr Haughan informed members that OfS had written to the University at the end of 2024 with a number of queries in relation to the situation. Dr Haughan added that the University responded to these queries and is awaiting a response from OfS.

11. Office for Students matters

(i) Compliance with Conditions of Registration

Members had received the update on compliance with conditions of registration. Mr Leyshon informed members that the document addresses each of the OfS conditions, demonstrating how the University complies with and monitors each condition, with additional notes for information.

(ii) Schedule of Returns

Members had received the Schedule of Returns. Members noted that the University has received assurance that the deadlines for all returns are currently met and plans are in place for upcoming submissions.

12. AOB

Ms Suchoparek requested an update on the new admissions system. Professor Ozanne informed members that the tender process for this is underway.

The Chair reminded members that a revised Digital Strategy was awaited and that an independent review was recently conducted in relation to IT security and asked for a progress update. Professor Ozanne informed members that UEB have received the review and are considering its contents. An updated Digital Strategy was also in draft but needed some further refinement. Ms Suchoparek emphasised the importance of reports arising from independent reviews being presented to Audit Committee for review.

13. Date

The date for the next meeting of the Committee was scheduled for 11th June 2025.