



AUDIT COMMITTEE

20 MAY 2026

REDACTED MINUTES FOR PUBLICATION

A meeting of the Audit Committee was held via Zoom video conference from 10.00am-12.00noon on Wednesday 20 May 2026.

Present:	Prof. N Braisby	
	Mr C Costigan (CC)	(Chair of Committee)
	Mr Jyotveer Gill (JG)	
	Prof. M Jones (MJ)	(Vice Chair of Committee)
	Dr L Marr (LM)	
	Ms E Shipp (ES)	
In attendance:	Mr D Balme (DB)	(observing full meeting)
	Mrs A Clark (AC)	(for item 3.1 only)
	Mrs J E Fawkes (JEF)	(University Secretary)
	Mr S Gibson (SG)	(for item 2.3 only)
	Mrs L Hughes (LH)	(Note taker)
	Mr D Kershaw – RSM (DK)	(for item 3.1 only)
	Ms L Randall – RSM (LR)	(for item 3.1 only)
	Mr M Speight (MS)	(for item 2.4 only)
	Prof. A Wheaton (AW)	(Vice Chancellor)
	Mr K Wilkinson (KW)	(for item 2.5 only)

Apologies for absence:

1) GENERAL MEETING GOVERNANCE

1635 1.1/ DECARATION OF ANY CONFLICTS OF INTEREST

1636 There were no conflicts of interest reported.

1637 1.2/ RECORDING OF THE MEETING

1638 The Committee members gave their consent to the recording of the meeting within Zoom in order to support minute taking and on the basis that the recording is deleted thereafter.

1639 1.3/ APOLOGIES FOR ABSENCE AND WELCOME

1640 There were no apologies for absence, though it was noted that Jyotveer Gill would step out between 10.30-11.30am for an alternative commitment.

1641 1.4/ MINUTES AND REDACTED MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 13 NOVEMBER 2026

1642 The minutes (and proposed redactions) of the Audit Committee meeting held on 13 November 2025 (as included at paper 1.4) were **APPROVED** as a true record and signed by the Chair of the Committee. The redacted minutes will be published on the external webpage after the meeting.

1643 1.5/ MINUTES AND REDACTED MINUTES OF THE JOINT AUDIT AND FINANCE COMMITTEE MEETING HELD ON 13 NOVEMBER 2026

1644 The minutes (and proposed redactions) of the Joint Audit and Finance Committee meeting held on 13 November 2025 (as included at paper 1.5) were **APPROVED** as a true record. They have also been approved by Finance Committee on 11 March 2026 and so were signed by the Chair of the Committee. The redacted minutes will be published on the external webpage after the meeting.

1645 1.6/ MATTERS ARISING AND ACTIONS SUMMARY

1646 The summary showing the outcome of actions from the meeting held on 13 November 2025 (paper 1.6) was taken as read with the Committee noting that as Board meetings were scaled back in both December and March, risk had yet to be presented to Board for annual review and would now be presented in July 2026.

1647 The Committee **NOTED** the updates provided on actions 1542 on Business Continuity Planning where work continues and on 1550 regarding Martyn's Law where the action is now closed.

2) RISK MANAGEMENT

1648 2.1/ RISK OVERVIEW

1649 The Audit Committee considers risk at each of its meetings and accordingly reviewed the updated Institutional Risk Register at papers 2.1a and 2.1b which provided an overview of changes since the last report to the Committee. The key areas of increasing institutional risk were drawn out in the paper and included global instability owing to the wars in Iran and Ukraine, cyber security, Board of Trustees quoracy, safeguarding at LSA, apprenticeship levy funding, the Qualifications Achievement Rate and diversification/growth.

1650 **REDACTED**

1651 It was noted that the University secured Expected Standards in the recent Ofsted Inspection but there are concerns for future inspection outcomes if the dial does not shift significantly on the Qualification Achievement Rate – this was discussed further at agenda item 2.4.

1652 It was noted that a review of risk 30 on the potential for removal of funding for assistive technology for students could increase as there is a consultation underway currently. JEF will discuss this with the team and adjust the register based on the outcomes of this/the scale of potential exposure for the University.

ACTION: Discuss risk 30 with the Wellbeing and Safeguarding Team to consider whether risk should increase. [JEF/SE]

- 1653 The Committee queried risk 25 on potential changes to apprenticeship funding where the scoring implies this is a steadily managed risk but it could be considered more significant in terms of impact were it to happen and therefore putting plans in place to diversify quickly and to understand the scale of the problem would be beneficial. The Committee was assured that scenario modelling work had taken place to understand the quantum of income risk. There will be no change to the Apprenticeship Levy for Autumn 2026, so income forecasting remains healthy. Any change would come with a transition period, and the University is already working on its diversification strategy. In addition, demand remains strong for qualified students in these skill areas so employers will be forced to pay for them outside of the Levy if necessary. UBE is also working with Skills England on a new Level 4 pan-Built Environment apprenticeship which would also be part of the mitigation against potential loss of Level 6 funding. The Committee agreed that despite all the work and the acknowledgement that the University has done as much as possible to manage mitigations, the post-mitigation rating should still be red. It will help the Board understand the seriousness of the risk, and support the efforts to mitigate it, especially given that growth on new programmes as part of the diversification strategy will take time to come to fruition.
- 1654 The Committee **NOTED** the updated risk register and was assured that the identification of risks and the mitigations put in place where required were appropriate. It **AGREED** it would escalate the apprenticeships risks (QAR and funding) to the Board for awareness and input.
- 1655 2.2/ RISK DISCUSSION ITEM: THE GILLES REPORT AND INSTITUTIONAL RISK MANAGEMENT**
- 1656 JEF presented paper 2.2 which outlined the key findings of the Gilles Report and how UBE can learn from the findings there in terms of further enhancing its own approach to risk management. A final review of risk associated with the Gilles Report will form part of the annual risk review at the Board meeting in July 2026.
- 1657 The Committee was assured that risk will be actively discussed and managed by SLT prior to all Audit Committee reports. They cautioned against adding in too much process and governance to risk management such that it focuses activity on the process rather than the business of actually managing and mitigating risks.
- 1658 The Committee would like to see how the institution will better incorporate horizon-scanning given that lack of Board awareness was a key Gilles finding and then how this will manifest to the Committee so it can feel assured, especially given there are only two Committee meetings per year. A mid-point briefing will be considered but the Committee was reassured that such horizon-scanning is undertaken by the Executive and SLT frequently. In addition, the Internal Auditors provide insight of this nature which can also be shared regularly.
- ACTION: Consider how the Audit Committee can receive a mid-meeting briefing on risk and how information flow to Trustees on this Committee and the wider Board more generally should best operate. [JEF/HAK]**
- 1659 Overall, the Committee welcomed the proposed changes and approach but cautioned that the enhanced processes recommended might become unwieldy and unmanageable without dedicated and dynamic risk management software in

place. This would reduce many man hours and make the monthly updates less intensive.

1660 The Committee suggested a discussion between Board and Executive would be beneficial regarding behaviours, which were at the heart of the Gilles Report REDACTED, and that the Board can pose the right questions, challenge and not necessarily accept what its told at face value. The Task and Finish Group is working on a Board Code of Conduct and an Executive-Board Communications Protocol which should assist in this.

1661 Finally, the Committee commented that the Risk Register can be challenging to read as a large spreadsheet. Perhaps for Trustee reporting some additional filtering should be applied so the Board is only presented with what it genuinely needs to see (lots of columns could be hidden).

ACTION: Reconsider the presentation of the risk register to the Committee to 'right-size' it and ensure it can be easily digested and focused on only the relevant items. [HAK]

1662 The Committee **APPROVED** the recommendations for enhanced institutional risk management proposed which fall into seven distinct areas of work, provided the focus remains on risk management and mitigation and not on these enhanced procedural activities in themselves:

- Clarification and strengthening of the role of the Executive and SLT in risk management.
- Strengthening risk identification and early warning processes.
- Enhancing the dynamic use of the Institutional Risk Register.
- Strengthening risk ownership and accountability.
- Improvement of escalation pathways.
- Improvement of integration across strategic, project, operational and academic risks.
- Strengthening the cultural foundations of risk management.

1663 2.3/ RISK DISCUSSION ITEM: LONDON SCHOOL OF ARCHITECTURE INTEGRATION PROJECT UPDATE AND RISK

1664 The Chair welcomed Stuart Gibson, Project Manager, to the meeting.

1665 SG introduced paper 2.3 which provided a live Integration Project update for the LSA merger into the University, currently in phase 2. The project is on target to complete in summer 2026 as planned and risks are trending down, with no more critical risks to manage. The plan is to manage out each risk and transfer LSA operations and any residual risks into University BAU.

1666 Whilst the Committee accepted the report as presented, they queried a prior risk flagged to them on Practice Network which has caused an impact on recruitment numbers in 2024. A revised strategy for the Practice network was put in place early for 2026 and this is yielding results in projected student numbers for 2026.

1667 REDACTED

ACTION: REDACTED

- 1668 The Committee further noted the risk on data protection and legacy applications where work has been intensive to reduce risk. This included inheriting technology outside of UBE standard approach and tightening control over this. All electronic equipment has been replaced to standardised UBE specifications.
- 1669 The Committee **NOTED** the management of and progress with LSA's full integration into the University and the progress on risk management and mitigation through this work to date. The Committee was content that the project is being well managed and risks mitigated appropriately.
- 1670 The Chair thanked SG for his contributions and invited him to leave the meeting.
- 1671 2.4/ RISK DISCUSSION ITEM: APPRENTICE ACHIEVEMENT RATES, RISKS AND MITIGATIONS**
- 1672 The Chair welcomed Mike Speight, Director of Strategic Enterprise (and lead nominee for the recent Ofsted Inspection), to the meeting.
- 1673 MS introduced paper 2.4 which outlined risks facing the University relating to apprentice achievement rates and current government policy approach. In summary, pre-inspection, the University did not fully comprehend that the common denominator in inspections under the new framework would be the Qualification Achievement Rate and given that UBE's stands at 47%, some 13% below the national expectation, this put the institution at huge risk. REDACTED
- 1674 The Chartered Surveyor apprenticeship standard has an overall national achievement rate of 23% (inclusive of UBE performance) and the inspectors were presented with evidence of how hard UBE has fought for change within the sector and how its own rate is subject to RICS APC capacity (as the standards' EPA) and employer support for apprentices to progress to APC in a timely fashion. UBE's specific challenge is its over exposure to this standard within its institutional QAR (which some of the lower performing providers of the apprenticeship can already mitigate against through other programmes).
- 1675 The institutional risks are reputational, regulatory and financial and the Executive now considers them unacceptably significant. The mitigation strategy to manage the risk has to go beyond seeking to fix the standard and to rebalance the exposure. The Executive will discuss a draft action plan at its meeting later on 20 May 2026 and this will then be presented to Board in July to endorse. The mitigations focus on reducing exposure and diversification.
- 1676 The Committee considered the paper useful and will help the Board to focus on the associated longer-term solutions and regulatory / financial outcomes. For the Board paper and discussion in July, the Committee requested some financial modelling associated with the proposals be presented alongside consideration of any unintended consequences that might arise inadvertently from one decision impacting elsewhere in the institution. The solutions and decision required may be challenging to agree, but ultimately the institution will end up at lower income, higher margin, a better QAR and a lower regulatory risk, all of which outweigh any potential reputational risk with employers. It was suggested that Finance Committee will also need to consider the financial risk aspects associated with the proposed mitigations as part of budgeting.

ACTION: Ensure Finance Committee is aware of this significant institutional risk and the impact of mitigating decisions on the proposed budget for 2026-27. [AW/DB]

1677 The Committee **NOTED** and **ENDORSED** the next steps proposed for addressing the reputational, regulatory and financial institutional risks associated with the Qualification Achievement Rate.

1678 The Chair thanked MS for his contribution and invited him to leave the meeting.

1679 2.5/ RISK DISCUSSION ITEM: CYBER SECURITY

1680 The Chair welcomed Kevin Wilkinson, Director of Technology to the meeting.

1681 DB/KW introduced paper 2.5 which outlined risks facing the University relating to cyber security, which is subject to an ever-increasing external threat landscape, and how these are being actively mitigated. KW summarised that there are two key internal challenges to be managed with regards to this risk and they are the growth of services and the associated challenge of resourcing this.

1682 KW reported two current cyber incidents that the institution is managing. These are both in the public domain. Canvas had a data breach recently. UBE used Canvas until 2017 and therefore the risk is minimal but is being managed until confirmation is secured that the institution's use was appropriately decommissioned. The second is Target Connect, which UBE uses as a careers platform. The institution's potential exposure to the breach is not yet known but is being investigated.

1683 A discussion was held about how much UBE data is held on servers on the premises vs the cloud and the Committee was assured that the vast majority is now in the cloud with managed service providers (including the student records system and the VLE) and some cloud security review work is currently underway.

1684 The Committee also discussed the thread throughout the report that capability and capacity are issues for the institution in managing cyber threats. The Committee queried the confidence levels in progressing risk reduction in this area. It was noted that the current internal audit should give some reassurance in this area, but the primary challenge has been attracting and retaining the skills required given the competitive job market in this area, the size of the institution and the increasing complexity of its digital infrastructure. A blended skills approach is being taken in current recruitment. Significant effort has also gone into risk mitigation in terms of staff training and awareness. The Committee suggested that this risk be flagged to the Finance Committee, as the severity of impact of any breach could be mitigated in advance by approving a higher salary for skills in this area given its business criticality.

1685 The Committee **NOTED** the update provided and the ongoing approach to mitigate risk. It requested this risk be actively flagged to Finance Committee and Board in July 2026 as part of ongoing budget prioritisation and balancing.

ACTION: Flag the risks on cyber security to the Finance Committee as part of agreeing the 2026-27 budget. [JED/DB]

1686 The Chair thanked KW for his contribution and invited him to leave the meeting.

1687 2.6/ COMPLIANCE UPDATE

1688 The Committee reviewed paper 2.6, an update on compliance activities, noting that Audit Committee is fully responsible for statutory compliance monitoring as a delegation of authority from the Board. The Committee was reminded it is responsible for overall oversight and need only raise matters of significance or concern to the full Board.

1689 The Committee **NOTED** the Compliance Report update and agreed that, overall, there are no issues of concern they wish to raise to the Board's attention at the current time following the comprehensive update and the prior discussions on core risks already held.

3) AUDITS**1690 3.1/ INTERNAL AUDIT PLANNING WITH RSM**

1691 The Chair welcomed Lisa Randall and David Kershaw from RSM and Aimee Clark, Deputy University Secretary, to the meeting.

1692 AC provided an update on progress with internal audit and her new oversight of responsibility in this area (paper 3.1) and LR/DK provided an update on their specific project work to date (paper 3.1a) and the plans to complete Y1 2025-26 and plans for 2026-27 (paper 3.1b and 3.1c).

1693 The Committee understood the heavy governance workload over the last year and the delays to getting the 2025-26 audits underway. They welcomed the renewed focus and that the three planned audits were now all scheduled for completion by August 2026 (cyber security, safeguarding and data integrity).

1694 The Committee discussed the proposed ideas for internal audit in 2026-27 (business continuity, data protection, admissions, financial controls and payroll/people/culture) and were content these areas be fully scoped for approval at an additional meeting in September, provided staff bandwidth is properly taken into consideration when determining the viability of running as many as five audits in one year. This meeting would be to consider audit findings from the three audits to complete in 2025-26 and to sign off the detailed 2026-27 plan only.

1695 The Committee welcomed the proposed audit on people and culture as this, if timed correctly, could provide vital intelligence for the new Vice Chancellor. The Committee queried whether an audit into Hong Kong operations might be beneficial before 2027-28 (the proposed decision point regarding performance against business plan is Summer 2027 so the audit would be more useful ahead of this). Independent analysis about this operation might also be useful intelligence for the new Vice Chancellor. It was noted this matter is schedule for a full Board discussion on 8 July 2026.

ACTION: Consider reprioritisation of an audit into the Hong Kong operation into 2026-27. [AC/LR]

- 1696 The Committee also reminded the staff that following through on actions and recommendations arising from audit work should also be factored into staff time and planning in 2026-27 and not underestimated.
- 1697 The Committee **NOTED** the progress with current audits and agreed that the indicative plan for 2026-27 should now be further refined into a final plan for 2026-27. The Committee further **NOTED** the news briefings and publication provided by RSM for information in the context of this forward planning process.
- 1698 The Committee **AGREED** it would hold a short additional meeting in September 2026 to receive outcomes of 2025-26 audits which will have been completed and to agree the briefs for the 2026-27 audits so that work can commence in advance of the next scheduled meeting in November 2026.
- ACTION: Organise an additional short meeting of the Committee in September 2026 to review further progress with concluding the 2025-26 audits and to agree the final refined plan for 2026-27. [LH]**
- 1699 The Chair thanked RSM colleagues for their contributions and invited them to leave the meeting.
- 1700 AC then introduced paper 3.1d which proposed the renewal of RSM for a further two years as internal audit service provider. The Committee was reminded that it had appointed only for an initial year in May 2025.
- 1701 The Committee **APPROVED** the renewal of RSM as internal audit providers to UBE for the remainder of the plan period (a further two years to end 2028 academic year).
- 1702 The Chair thanked AC for her contribution and invited her to leave the meeting.
- 1703 3.2/ 2025-26 AUDIT PROPOSAL AND AUDIT STRATEGY MEOMORANDUM – FORVIS MAZARS**
- 1704 DB presented the draft Audit Strategy Memorandum 2026 from Forvis Mazars (UBE Auditors) for the review of the Committee. The proposal has already been reviewed by the Finance Team, refined and is now recommended to the Committee for review/endorsement. It does not represent any significant change to recent years. The total cost of the audit in 2026 is quoted at £45,067 (inc VAT), with additional fees for a separate audit by Nova of UCEM Asia Ltd.
- 1705 The Committee **NOTED** that a re-tender process for auditors should remain on the radar for the medium-term future.
- 1706 The Committee **PRE-APPROVED** the Audit Strategy Memorandum for the 2026 UBE audit by Forvis Mazars (with Audit Partner as Helen Knowles for the third year), noting that the proposal will also be reviewed by Finance Committee in June and will be formally approved by the Board in July. The Committee **ENDORSED** the fee quotation of £45,067 inc VAT for the work to be undertaken and the separate additional fee that will come forward for UCEM Asia Ltd. The Committee **NOTED** that the audit fieldwork will take place over the two weeks commencing 7 September 2026 ahead of reporting to the Joint Audit and Finance Committee on 12 November 2026.

ACTION: Organise a feedback meeting for CC/NB with the Forvis Mazars Audit Partner, Helen Knowles, ahead of the Audit outcomes being presented to the Joint Audit and Finance Committee in November 2026. [LH]

1707 The Committee **NOTED** that Forvis Mazars (albeit a different team/manager) had also been appointed to conduct the Beechwood Architecture audit requested by the Board at its meeting in March 2026, which is a one-off exercise.

1708 3.3/ 2025 ANNUAL REPORT AND FINANCIAL STATEMENTS

1709 The Committee **NOTED**, for assurance purposes only, that the 2025 Annual Report and Financial Statements had been fully completed and duly filed on time with the Charity Commission on 17 February 2026.

4) OFFICE FOR STUDENTS COMPLIANCE

1710 4.1/ CONDITION OF REGISTRATION E2: UBE VALUE FOR MONEY STATEMENT 2024-25

1711 JEF presented the latest Value for Money statement 2024-25 for the Committee's review and approval ahead of publication. The report follows the same format as previous years and is deliberately concise, whilst meeting regulatory requirements. JEF informed the Committee that the overall percentage splits between income and expenditure are very similar this year to the last two statements produced in 2022-23 and 2023-24, with 62% of income now secured through apprenticeships. The distribution of 62% of income (60% in 2023-24) on student and academic services remains positive for the University.

1712 The Committee queried whether any data could be presented on how much the reports are ever accessed, given the work involved in producing them. In addition, the table of expenditure tells a noticeably positive story for the University, and it was suggested this could be socialised with students.

ACTION: Provide data on Value for Money report downloads from the UBE website. [JEF]
Socialise the positive table of expenditure data in the Value for Money report with students. [JEF]

1713 The Committee **APPROVED** the UBE Value for Money Statement 2024-25 for publication on the external website and as demonstration of compliance with OfS condition of registration E2.

ACTION: Publish the Value for Money Statement 2024-25 on the University website. [LH]

5) ANY OTHER BUSINESS

1714 5/ ANY OTHER BUSINESS

1715 The Committee **NOTED** the additional paper provided at paper 7.1 on University insurances (also seen by Finance Committee) – which outlined levels of cover in

place for 2025-26 and the overall cost of this to the institution of £83,145.33, which was less than budgeted for the year (£95K).

- 1716 The Committee queried whether the insurances included Directors Liability Insurance as this was not listed in the documentation and it was confirmed that this is in place up to £1M and the team is seeking to increase this to £5M through the current renewal process for 2026-27. Membership of a sector insurance benchmarking group is supporting UBE in the renewal and review process and there may be some changes to risk levels in terms of excesses next year to balance the overall cover and potential secure further cost savings. This will be reported to the Committee in November.

ACTION: Provide an updated Insurance Review to the Committee for 2026-27 at the November 2026 meeting. [DB]

- 1717 The Committee **APPROVED** the updated Reportable Events Procedure V4.01 for finalisation as the new V5, noting that the changes were relative to branding and minor amendments including to Appendix A regarding Regulatory Advice 24 which was published in March 2026.

- 1718 There were no other items of business raised.

6) CLOSE

- 1719 The Chair thanked the Committee for the discussions and closed the meeting at 11.51am.

Date of next meeting:

12 November 2026 (noting an additional meeting will be called for September 2026)

Signed



Name Chris Costigan
Position Chair of Audit Committee
Date 14 September 2026