

## Audit and Risk Committee Meeting

Tuesday, 12 November 2024 at 10:00 am to be held remotely via Microsoft Teams

Agenda Item	Classification	Rationale
1. Apologies for absence	Oral report Unclassified	n/a
2. Declarations of interest	Oral report Unclassified	n/a
3. Minutes of the last meeting held on 10 September 2024		
3a. Unclassified minutes	Unclassified paper	n/a
3b. Confidential minutes	<b>Confidential appendix</b>	<b>1,2,3,4</b>
4. Matters arising	Oral report	
<b>Matters for decision/discussion</b>		
5. RCVS Audit Planning Report	<b>Confidential paper</b>	<b>1,2,3,4</b>
<b>Matters to note</b>		
6. CEO update	Oral report	
7. Major projects update	Oral report	
7a. Refurbishment of Hardwick Street		
7b. CMS project	<b>Confidential</b>	<b>3,4</b>
7c. CRM project & risk register		
8. IT/Digital Risk Register	<b>Confidential paper</b>	<b>1,3</b>
9. Corporate Risk Register update	Oral report <b>Confidential</b>	<b>1,3,4</b>
10. ENQA update		
10a. ENQA activities	Unclassified paper	n/a
10b. 2024 accreditation visitation workplan	<b>Confidential paper</b>	<b>1</b>

11. Any other business (AOB)		
11a. Draft Terms of Reference for Audit Tender Working Group	<b>Confidential paper</b>	<b>1</b>
11b. Reflective session	Oral report	
12. Date of the next meeting: Tuesday, 4 February 2025 (in person)	Oral report Unclassified	n/a

## **Audit and Risk Committee – Terms of Reference**

1. The Audit and Risk Committee shall support the Council by reviewing the comprehensiveness and reliability of assurances and internal controls in meeting the Council's oversight responsibilities. The Committee is a non-executive committee and has no executive powers except as set out below.
2. The Committee has delegated authority to:
  - a. Monitor the Council's risk management arrangements;
  - b. Approve the internal audit programme; and,
  - c. Advise the Council on the comprehensiveness and reliability of assurances and internal controls, including internal and external audit arrangements, and on the implications of assurances provided in respect of risk and control.
3. The Committee may request the attendance of any employee or member, as set out in paragraph 17 below, and may incur expenditure for the purpose of obtaining advice in terms of paragraph 21 below.
4. The Committee is accountable to the Council. The minutes of each Committee meeting shall be circulated to the Council. The Committee shall report to the Council annually on its work. It may also submit separately to the Council its advice on issues where it considers that the Council should take action. Where the Committee considers there is evidence of *ultra vires* transactions or evidence of improper acts, the Chair of the Committee shall raise the matter at a formal Council meeting.
5. The Committee shall have five members, but may operate with fewer while a vacancy exists, provided the quorum is maintained. The members shall include two Council members, of whom one shall be a lay member and one a registrant member. Neither the President, Vice-Presidents, nor the Treasurer shall be members of the Committee. The members of the Committee who are not Council members (the "external members") shall have appropriate audit and risk management experience.
6. The Council will elect one of the external members serving on the Committee as Chair, based on relevant background and skills. The Committee will elect a Vice-Chair and in the absence of the Chair, the Vice-Chair will chair the meeting.
7. The Committee shall support the Council by reviewing and advising the Council on the operation and effectiveness of the arrangements which are in place across the whole of the Council's

activities that support the achievement of the Council's objectives. In particular, the Committee shall review the adequacy of:

- a. All risk and control related disclosure statements, together with any accompanying internal audit statement, where appropriate, external audit opinion or other appropriate independent assurances, prior to endorsement by the Council;
  - b. The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
  - c. The policies for ensuring compliance with relevant regulatory, legal, governance and code of conduct requirements; and
  - d. The policies and procedures for all work related to fraud and corruption.
8. In carrying out this work the Committee will primarily utilise the work of internal audit, where appropriate, external audit and other assurance functions. It will also seek reports and assurances from Department Managers as appropriate, concentrating on the over-arching systems of governance, risk management and internal control together with indicators of their effectiveness.
9. In reviewing risk management arrangements, the Committee shall draw attention to areas where:
- a. Risk is being appropriately managed and controls are adequate (no action needed);
  - b. Risk is inadequately controlled (action needed to improve control);
  - c. Risk is over-controlled (resource being wasted which could be diverted to another use); and,
  - d. There is a lack of evidence to support a conclusion (if this concerns areas which are material to the organisation's functions, more audit and/or assurance work will be required).
10. In relation to internal audit, where appropriate, the Committee shall:
- a. Ensure that there is effective internal audit activity that complies with any applicable standards and provides appropriate independent assurance to the Council, Audit and Risk Committee, Secretary and Registrar;
  - b. The internal audit activity will include reviews into RCVS internal processes, policies and procedures. These reviews will be based on identified high risk areas from the Corporate Risk Register and assurance map;
  - c. Ensure that the College makes adequate resource available to internal audit activity, where required;
  - d. Review the need for an internal audit strategy, operational plan and work programme;

- e. Consider the major findings of the internal audit/review work, where carried out, and management's response; and,
- f. Annually review the effectiveness of internal audit.

11. In relation to external audit, the Committee shall:

- a. Consider the appointment and performance of the external auditor, the audit fee and any questions of resignation or dismissal and make appropriate recommendations to the Council;
- b. Discuss and agree with the external auditor, before the audit commences, the nature and scope of the audit as set out in the external audit plan and their local evaluation of audit risks;
- c. Review the work and findings of the external auditor, consider the implications and management's responses to their work; and,
- d. Review all external audit reports, including agreement of the annual audit letter before submission to the Council and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

12. The Committee shall review the annual financial statements, focusing particularly on:

- a. Disclosures relevant to the terms of reference of the Committee;
- b. Changes in, and compliance with, accounting policies and practices;
- c. Unadjusted mis-statements in the financial statements;
- d. Major judgmental areas; and,
- e. Significant adjustments resulting from the audit.

13. The Committee shall ensure that the systems for financial reporting to the Council, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Council.

14. The Committee shall meet not less than three times a year. The external auditors may request a meeting if they consider that one is necessary.

15. Only Committee members shall be entitled to attend meetings of the Committee. The Treasurer, CEO, Secretary and/or Registrar, and Director of Operations shall normally attend meetings. Representatives from the external auditors shall attend meetings as required for relevant items. The President and other Council members may attend meetings at the invitation of, or with the agreement of, the Chair of the Committee.

16. The Committee may request any employee or member to attend a meeting to assist with its discussions on any particular matter or to provide any information it may reasonably require in order to fulfil its remit. All employees and members shall co-operate with any reasonable request made by the Committee.
17. The Committee may ask any or all non-members to withdraw for all or part of a meeting if it so decides. In such an instance, the Chair shall ensure that a proper record is made of the meeting.
18. The senior representatives of external audit shall have free and confidential access to the Chair of the Committee. At least once a year, the Committee shall provide an opportunity to meet privately with the external auditors. College staff will not be present during these confidential meetings.
19. The Committee may investigate any activity within its terms of reference. It may seek any information it requires from any employee and all employees shall co-operate with any request made by the Committee.
20. The Committee may obtain legal or other independent professional advice and secure the attendance of external advisers with relevant experience and expertise if it considers this necessary, within the budget approved by the Council. The CEO and/or Registrar shall ensure that appropriate secretariat support is provided to the Chair and Committee.

#### Remit relating to accreditation functions of the College

21. The Committee will receive assurances that the quality assurance work undertaken by the College in relation to the accreditation of veterinary degree programmes and veterinary nursing educational institutions is operating in accordance with its published procedures. This process of assurance is also designed to contribute to compliance with the requirements for membership with the European Association for Quality Assurance in Higher Education (ENQA) that 'Agencies should have in place processes for internal quality assurance related to defining, assuring and enhancing the quality and integrity of their activities'. This will be achieved by:
  - a. At the beginning of each calendar year, the Committee will be provided with a work plan, detailing the accreditation visitations that are scheduled for the forthcoming year;
  - b. Brief progress reports against this work plan will be provided as a standing item at each meeting of the Committee. These reports will also highlight any major concerns or issues that had arisen as a result of quality assurance activities conducted in the period covered by the report;
  - c. An annual report will be produced at the end of each calendar year. This will be presented to the Committee together with the work plan for the next calendar year. The annual report would be expected to include:
    - Confirmation that quality assurance activities have been completed in line with the work plan, or reasons for any variation;
    - Actions that have been taken or that are planned as a result of discussion by committees;

- Actions that have been taken or that are planned as a result of feedback from stakeholders (visitors/universities); and,
  - Trends and themes identified in information presented year on year.
22. Findings of the Committee arising from assurances received on the quality assurance activities of the College in relation to veterinary degree programmes and veterinary nursing educational institutions shall also be circulated to the Primary Qualifications Subcommittee (PQSC), Education Committee and the Veterinary Nurses Education Committee.
23. The Committee may choose to invite attendance from representatives of Education Committee and VN Education Committee for the purpose of receiving assurances on quality assurance activities undertaken by those Committees.
24. Where an appointed member of the Audit and Risk Committee is also involved with the education quality assurance activities of the RCVS, they shall not be permitted voting rights on any issues discussed however they may remain present at the meeting for points of clarification.

<b>Summary</b>	
Meeting	Audit and Risk Committee (ARC)
Date	12 November 2024
Title	ARC meeting minutes – 10 September 2024
Summary	Minutes of the ARC meeting held online via Microsoft Teams and in person at the Royal College of Nursing on Tuesday, 10 September 2024.
Decisions required	The Committee is asked to approve the unclassified minutes and the confidential appendix.
Attachments	Confidential Appendix
Author	Huda Haid Governance Officer <a href="mailto:h.haid@rcvs.org.uk">h.haid@rcvs.org.uk</a>

<b>Classifications</b>		
<b>Document</b>	<b>Classification<sup>1</sup></b>	<b>Rationales<sup>2</sup></b>
Paper	Unclassified	n/a
Appendix	<b>Confidential</b>	<b>1,2,3,4</b>

<b><sup>1</sup>Classifications explained</b>	
Unclassified	Papers will be published on the internet and recipients may share them and discuss them freely with anyone. This may include papers marked 'Draft'.
Confidential	Temporarily available only to Council Members, non-Council members of the relevant committee, sub-committee, working party or Board and not for dissemination outside that group unless and until the relevant committee or Council has given approval for public discussion, consultation, or publication.
Private	The paper includes personal data which should not be disclosed at any time or for any reason, unless the data subject has agreed otherwise. The Chair may, however, indicate after discussion that there are



	general issues which can be disclosed, for example in reports to committees and Council.
<b><sup>2</sup>Classification rationales</b>	
Confidential	<ol style="list-style-type: none"> <li>1. To allow the Committee or Council to come to a view itself, before presenting to and/or consulting with others</li> <li>2. To maintain the confidence of another organisation</li> <li>3. To protect commercially sensitive information</li> <li>4. To maintain public confidence in and/or uphold the reputation of the veterinary professions and/or the RCVS</li> </ol>
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## Minutes of the Audit and Risk Committee (ARC) meeting held online via Microsoft Teams and in person at the Royal College of Nursing on 10 September 2024

### Members:

Mr K Grewal <sup>^</sup>	External lay member
Mr V Olowe	External lay member & Vice-Chair
Ms J Shardlow	External lay member & Chair
Mr W A S Wilkinson <sup>^</sup>	RCVS Council member
Ms J S M Worthington <sup>^</sup>	RCVS Council member

### In attendance:

Dr M M S Gardiner	Treasurer (Observer)
Ms S Gibbins <sup>^</sup>	Veterinary Nursing Qualifications Lead
Ms H Haid <sup>^</sup>	Governance Officer
Ms L Lockett	CEO
Ms C McCann	Director of Operations
Mr A Quinn-Byrne	Governance Manager
Mr A Scanlan	CRM Project Manager
Ms S Tetsola	Head of Finance
Ms K Williams <sup>*</sup>	Education Quality Improvement Manager

\*Denotes absence

<sup>^</sup>Denotes remote attendance

### Apologies for absence

1. Apologies were received from the Education Quality Improvement Manager.
2. The CRM Project Manager joined the meeting to present the 'CRM project update and risk register' agenda item under the 'Major projects update'.
3. The Veterinary Nursing Qualifications Lead joined the meeting to present the 'Veterinary Nursing Risk Register' agenda item only.
4. The CEO left the meeting just before the end, to attend another commitment.

### Declarations of interest

5. The Vice-Chair, Mr V Olowe, declared his recent appointment as a non-executive Director and Chair of the National Register of Public Service Interpreters (NRPSI), and as a non-executive independent Chair of the Royal Institution of Chartered Surveyors' (RCIS) Valuation Assurance Committee.

### Minutes of the last meeting

6. The Committee approved the minutes of the last meeting, held on 14 May 2024, as an accurate record.

### Matters arising

7. In relation to an action to allow more time for ARC meetings, the Committee agreed that future meetings should be scheduled to run for an extra half an hour until 12:30 pm.
8. The remaining actions from the previous meeting had been covered as part of the agenda.

### RCVS audit tender process

9. The Director of Operations presented a paper proposing that the RCVS carry out a tender exercise for auditors to conduct the audit of the 2025 annual accounts. Confidential information is contained in paragraphs 1-4 of the classified appendix.

### VAT inspection

10. Confidential information is contained in paragraph 5-7 of the classified appendix.

### CEO update

11. The CEO provided an oral report on the following College activities to the Committee:
  - a) Future governance reform: in June, the RCVS had consulted on its new 'good governance' proposals, which sought to better align the College with regulatory norms whilst also recognising its unique role as a royal college that regulates. The good

governance proposals were part of the RCVS' overall legislative reform agenda. Following the July deadline, an external agency had been appointed to analyse the data from the consultation and the information was due to go to RCVS Council in November.

- b) Veterinary Clinical Careers Pathways (VCCP) and Veterinary Nursing Vision projects: the education team had held focus groups to give stakeholders an opportunity to contribute to the development of proposals for veterinary clinical careers pathways. From the veterinary nursing side, workshops had been held with veterinary nurses and students to allow them to share their views about their visions for the future of the veterinary nursing profession. There were not any anticipated high-level risks arising from either project. However, this could change when the RCVS made some recommendations.
- c) Artificial Intelligence (AI) Roundtable event: the RCVS event had taken place on Monday 20 May 2024, to discuss the risks and benefits associated with the use of AI in the veterinary sector and how its use could be regulated by the RCVS. A full report on the day had been published on the website. There were a few workstreams flowing from the event and that work was currently ongoing.
- d) Statutory Instrument (SI) for Statutory Membership Exam (SME): the College had been calling for a new SI for some time to improve the arrangements for the SME, in order to make it more accessible. It was hoped that the RCVS would get the new SI by the end of the year.
- e) Recruitment of new Registrar: the previous Registrar had retired from the RCVS in July. The College was yet to find a suitable replacement, so the recruitment process for the position was still ongoing. In the meantime, an additional Head of Legal Services/Assistant Registrar had been recruited on a short-term basis to support on education and registration activities and to also sign-off on recommendations for cases going to the Disciplinary Committee.
- f) Competition and Market Authority (CMA) Market Investigation: since the Committee last met in May, the CMA had launched a formal market investigation, and the RCVS had set up a working group. The RCVS had been asked some questions, and a large number of documents had been sent as part of those information requests. The RCVS had also published a formal response to the CMA's issues statement. The College was now awaiting an update on the next steps.
- g) 2024 Surveys of the Professions: the RCVS was due to publish the survey reports soon. For the first time, the data from the veterinary surgeon survey were not considered to be statistically representative of the entire profession and this was due to the level of respondents and their make-up vs the Register. However, the data would still be useful to the RCVS and showed interesting trends.

- h) New Strategic Plan: the proposed direction of travel was due to go the RCVS Council for consideration on 11 September 2024, with a view to a full strategy being signed off late 2024/early 2025.
- i) Bluetongue disease: there were reports of cases in the UK, but it was not currently considered a public health issue. However, it did impact animal health and welfare and could affect production and result in trade restrictions. It was acknowledged that an outbreak could lead to resourcing issues if a vaccination programme for animals was initiated and there were not enough vets in the workforce to carry this out.

12. Comments and questions from the Committee included the following:

- a) The Bluetongue disease situation should continue to be monitored. The CEO explained the RCVS was working with Defra (and potentially other regulators) about developing an emergency protocol for getting assistance from overseas vets in the event of an outbreak (of any kind) or crisis.

13. Further confidential information is contained in paragraphs 8-9 of the classified appendix.

## RCVS activity mapping

- 14. The Director of Operations shared a document mapping out RCVS activities to identify resource needs and peak periods. This work was at an early stage and the Committee was asked to comment on the progress to date.
- 15. RCVS activities for the next twelve months had been split into external activities, major projects, and business as usual. It was flagged that Gantt charts were being prepared for the major projects relating to the Content Management System (CMS), Customer Relationship Management (CRM) system and Hardwick Street.
- 16. The Committee agreed that this work was useful in helping to mitigate the risk of departments becoming too overstretched and there being delays with project delivery due to lack of resourcing. The following feedback on the mapping document was provided:
  - a) The map needed refining as it was currently difficult to identify any pinch points or areas of overlap. Some of the activities involved multiple departments, so perhaps an additional column should be added to clarify what departments were involved with each activity, with the colours red, amber and green being used to indicate how busy they were.
  - b) Perhaps a section stating the alignment of each activity with strategic goals could be added, or something to indicate the priority of each activity.

## Major projects update

17. This agenda item covered three major ongoing College projects: the refurbishment of Hardwick Street, redevelopment of the RCVS website and the CRM project. Confidential information is contained in paragraphs 10 -18 of the classified appendix.

## Veterinary Nursing Risk Register

18. Confidential information is contained in paragraphs 19 - 22 of the classified appendix.

## Corporate Risk Register & Assurance Map update

19. Confidential information is contained in paragraphs 23 - 27 of the classified appendix.

## ENQA update

20. The Education Quality Improvement Manager - who was not able to attend the meeting on this occasion - had shared a report providing an update on RCVS accreditation events that had been completed in line with the agreed 2024 work plan, for the Committee to note.
21. The Committee indicated that next time, it would also be useful to have an additional section outlining whether there were any quality assurance implications arising from those visits that needed to be brought to the Committee's attention.

## Recruitment of ARC members

22. Confidential information is contained in paragraphs 28 - 33 of the classified appendix.

## Any other business (AOB)

### **Reflective session**

23. The Committee found itself to be consistently running over time and the need for more meeting time was reiterated.
24. The Chair thanked the Committee members for their contributions and there was no further business to record.

### Date of the next meeting

25. The next ARC meeting will be held on Tuesday, 12 November 2024 at 10:00 am, remotely.

<b>Meeting</b>	Audit and Risk Committee
<b>Date</b>	12 November 2024
<b>Title</b>	Update on ENQA activities
<b>Summary</b>	This report provides an update on the activities undertaken that relate to our ENQA membership
<b>Decisions required</b>	None, for note.
<b>Attachments</b>	ENQA briefing
<b>Author</b>	Kirsty Williams Quality Improvement Manager <a href="mailto:k.williams@rcvs.org.uk">k.williams@rcvs.org.uk</a> 020 7222 2001

### Classifications

Document	Classification <sup>1</sup>	Rationales <sup>2</sup>
Paper and attachments	Unclassified	n/a

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	The Chair may, however, indicate after discussion that there are general issues which can be disclosed, for example in reports to committees and Council.
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## Update on ENQA engagement for 2024

- ENQA Members Forum (17<sup>th</sup> – 19<sup>th</sup> April 2024):

This event was attended by Kirsty Williams and Shirley Gibbins and was held in Hannover, Germany. The event provided a good networking opportunity, as well as attendance at a range of very relevant workshops, including:

- Time: the neglected dimension of quality assurance
- Agency approaches to follow-up and appeals/complaints
- Ongoing developments on the QA of micro-credentials
- Quality assurance of transnational education
- Artificial intelligence – hero or villain for QA?

Kirsty also presented a thematic poster session to three groups of participants titled “Horses for Courses - Conducting risk-based and bespoke Quality Assured site visits.” This explored the move to planning the visit element of the veterinary accreditation event to be more risk based, so that the content and the time is bespoke to the program being accredited and does not follow a “one size fits all” format. The session was well received.

- QA-FIT focus group (13<sup>th</sup> and 14<sup>th</sup> May 2024):

This event was attended by Kirsty Williams. The QA-FIT project aims to gather comprehensive evidence and reflect on the framework of the Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG) to feed into the full review and revision of the standards. These are the standards with which we need to comply in an ENQA review.

To the date of the event, the activities that had taken place were surveys to the key stakeholders (HEIs, students, QA agencies and ministries), publication of the survey findings and five focus groups. The end result will be a review of the ESG to be concluded by mid-2026, which will need to be formally approved by ministers in 2027, before being adopted.

This focus group was for QA agencies in order to gather stakeholder views around the scope and level of detail required from a European framework for quality assurance. Under debate were some fundamental questions underpinning the future development of the ESG, as well as exploring some specific standards of Parts 2 and 3.

- Academic integrity paper and webinar (1<sup>st</sup> and 31<sup>st</sup> October 2024):

In 2021, Kirsty Williams joined an ENQA working group to explore Academic Integrity across Higher Education in Europe. This was a massive undertaking and culminated in the publication of a report on 1<sup>st</sup> October 2024. A link to the report is here - <https://www.enqa.eu/news/supporting-cultures-of-academic-integrity-the-role-of-quality-assurance-agencies-in-promoting-and-enhancing-academic-integrity-and-ensuring-learning/>

The publication of the report was followed with a webinar on 31<sup>st</sup> October 2024 to present the findings. Kirsty participated as a panel member in tis webinar and provided a landscape of academic integrity in the context of the RCVS

- ENQA General Assembly (23<sup>rd</sup> – 25<sup>th</sup> October 2024):

This was attended by Shirly Gibbins. Along with the opportunity for networking, there were some useful presentations:

- External QA of research – unveiling agencies' realities
- Frameworks for institutional evaluations
- Digitalisation and data informed QA
- QA and the Social Dimension