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# HE Update

## HEFCE Assurance Review Briefing

### December 2014

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## Background

HEFCE visit all institutions within the sector to undertake an Assurance Review. A number of our member institutions have asked whether we could provide an update on the process and information on any new requirements / expectations.

We provide a summary below as an aid to the HEFCE review process. Please note that it is not exhaustive and is based on meetings with HEFCE in the last six months and feedback we have received from institutions that have had recent reviews.

## Areas and themes that will be covered

We list below a checklist, in no particular order, of areas that will be covered during the visit and some of the related questions. The checklist can be used as a form of self-assessment.

Area / Theme	Comments
<b>Data Assurance</b>	<p>The review will assess where (and from whom) the Audit Committee gains its assurances on the quality and management of data submitted to external bodies. HEFCE are keen that the Committee does not rely on the internal auditors alone. They will look to see, for example, whether the Committee receives reports and / or presentations from University staff.</p> <p>Committees can display appropriate understanding and oversight through some form of matrix which outlines the:</p> <ul style="list-style-type: none"><li>• main institutional returns and the risks surrounding inaccurate / incomplete data</li><li>• assurances the Committee receives that the risks are being managed</li><li>• rationale for the returns covered by internal audit each year i.e. on a risk and / or cyclical basis.</li></ul>
<b>Risk Management</b>	<p>The review will assess the relevance of the risk management process e.g.:</p> <ul style="list-style-type: none"><li>• does the Audit Committee receive an up to date copy of the institutional register regularly?</li></ul>

Area / Theme	Comments
	<ul style="list-style-type: none"> <li>• how does it satisfy itself, from a process perspective, that it captures the institutional risks and there are linkages between the main register and local registers</li> <li>• is it clear that the internal audit programme is linked to the risk register?</li> </ul>
<b>TRAC</b>	Is the Audit Committee clear as to its role, with regard to the TRAC return? Does it, for example, receive a presentation from University staff on its collation? Does the Committee explore how the information is used within the University i.e. its use beyond simply completing the return?
<b>Value for Money</b>	<p>How does the Audit Committee satisfy itself that the institution is VFM conscious and demonstrating improvements? Has the VFM strategy factored in HEFCE guidance and does the Annual Report quantify savings made? Does the report align with institutional initiatives where appropriate?</p> <p>Do internal audit reports cover VFM?</p>
<b>Governance</b>	Can the University demonstrate that it has reflected on governance arrangements e.g. some form of regular Board and Committee self-assessment?
<b>Audit Committee</b>	How has the Committee satisfied itself that it has the right number of members with the right skills? Does the Vice-Chancellor attend Committee meetings when appropriate? At least annually, does the Committee hold a private meeting without officers in attendance and a private meeting without auditors in attendance? Is the Committee clear as to its role with regard to the University's financial statements and the External Auditor's Management Letter?
<b>Internal Audit</b>	Is the Committee clear as to the drivers for the development of the internal audit annual plan? Does the Committee satisfy itself that there is appropriate interaction between the internal and external auditors?
<b>Other areas</b>	<ul style="list-style-type: none"> <li>• do Board and Committee minutes identify key discussion points, challenge and clear decisions</li> <li>• do the Board minutes give an indication that the agenda and discussions are at the right level and looking beyond the short term</li> <li>• is the University web site up to date with regard to governance structures and governors</li> <li>• does the University's financial strategy include some form of scenario planning?</li> </ul>

For further information on how we can help or any other aspect of Uniac's internal audit and assurance service please do get in touch.



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