

THE UNIVERSITY OF MANCHESTER

AUDIT AND RISK COMMITTEE

28 January 2026

Present: Deirdre Evans (Chair)
Ann Barnes
Sarah Munby (by videoconference)
Tony Raven (by videoconference)
Alex Creswell (Advisor to the Committee, items 1-6)

Apologies: Natasha Traynor

In attendance: Patrick Hackett, Registrar, Secretary and Chief Operating Officer (RSCOO)
Carol Prokopyszyn, Chief Financial Officer (CFO) (from item 7)
George Whalley, Deputy Chief Financial Officer
Gemma Lyons, Director of Finance, Faculty of Science and Engineering
Attia Ramzan, Director of Safety Services
Jane Forbes, Chief Executive Officer, Uniac
Richard Young, Uniac
Claire Grant, Uniac
Alastair Duke, PKF Littlejohn
Michael Knight, Chief Information Security Officer (item 6)
Barra MacRuairi, Chief Property Officer (item. 7i)
Prof Jenn Hallam, Vice-President, Teaching, Learning and Students (item 7i)
Prof Ashley Blom, Vice-President and Dean of Faculty of Science and Engineering (item 7i)
Beth Micakovic, Executive Director of Faculty Operations, of Faculty of Science and Engineering (item 7i)

Secretary: Mark Rollinson, Deputy Secretary

1. **Declarations of interest**

Noted: there were no new declarations of interest.

2. **Minutes**

Resolved: that the minutes of the meeting held on 5 November 2025 be approved.

3. **Matters arising and action tracker**

Received: the action tracker setting out progress against matters arising from earlier meetings.

4. **Subsidiaries Assurance Report**

Received: a report summarising the role of the active subsidiaries including audit review points, risk assessment, Corporation Tax summary, and the subsidiary results overall impact on the consolidated accounts.

Noted:

(1) The Committee welcomed the report and agreed that a helpful supplement would be a document explaining corporate governance arrangements for all subsidiaries and satellite entities (with an organogram): this should include an explanation of escalation processes in the event of identified, significant risks. **Action: CFO**

(2) Action to follow up on access to pre-2016 employment contracts (identified in the report) was in hand. **Action: CFO**

(3) Whilst there has been a slight reduction in UMIF income and expenditure, this did not reflect a diminution of activity, rather a realignment and increased focus on the role of Unit M.

5. Strategic Risk Register

Received: a report providing an update on the continued development of the University's Strategic Risk Register (SRR), following the endorsement of a new technology enhanced risk management platform by the University Executive (UE). The SRR continued to evolve to support the effective delivery of the Manchester 2035 Strategy and to strengthen institutional governance around risk identification, assessment and mitigation.

Reported:

(1) Since the previous Committee meeting, progress had been made in identifying risk managers for all Level 1 strategic risks and associated level 2 risks, and a new standalone Level 1 risk (Risk 10-Compliance and Governance) had been established.

(2) To test system capability and reporting outputs, a subset of risks under Risk 10 had been successfully completed within the platform. The next phase will focus on ensuring full population of the SRR by all risk managers, accompanied by further guidance materials to support consistency and completeness. Work was also underway to ensure necessary capabilities for leaders.

(3) It was intended to bring the fully populated SRR to the April 2026 meeting, covering all ten strategic risks.

(4) Appended to the report was an illustration of the dashboard output from the new platform, an example of [bowtie methodology](#) applied to the Health and Safety sub-risk, an emerging risk and horizon scanning framework, an opportunity risk register and the Risk Appetite Framework and Statement as approved by UE.

Noted:

(1) The fully populated SRR would explicitly map to the University strategy and related work packages, enabling the identification of potential derailers. This would also enable identification of any previously unidentified risks and sub-risks, evolving the SRR to ensure that it was fully comprehensive.

(2) It was important to ensure a substantial timeslot on the agenda for the SRR item in April.

(3) The Risk Appetite Framework was also likely to evolve, ensuring explicit reference to maximum acceptable exposure to risk in different areas and an appropriate balance of quantitative and qualitative measures.

(4) Before presentation of the revised SRR to the April meeting, UE continued its active scrutiny of institutional strategic risks. The current SRR remained live and current focus was on:

- income streams, with a particular focus on student recruitment. A deep dive on this area was scheduled for the UE meeting on 2 February, and there were planned system and process enhancements to improve practice.

- regulatory risk, including financial and reputational consequences of failure to comply (emerging risks in this area related to increased external expectations around fraud response and freedom of speech).

(5) Work continued to ensure a systematic and consistent cross-institutional approach to operational risk, and escalation where necessary and the Committee asked for a progress update at the next meeting.

Action: RSCOO/Director of Safety Services

6. Information Security

Received: further to the report provided to the previous meeting, a further update from the Chief Information Security Officer (CISO), noting the centrality of cyber security to achievement of the University's strategic ambitions: a strengthened security and resilience posture was essential to protect teaching, research, operations and partnerships, and to sustain digital trust.

Reported:

(1) Following the appointment of the CISO in October 2025, the University had undertaken a review of its information security posture, supported by external assurance processes. This had revealed an improving position since the 2023 incident but confirmed the need for further work to build on foundations and diminish material cyber-risk.

(2) The University had engaged a partner to develop a three-year cyber security master plan, and it was planned to bring this to the Committee for approval in June 2026. In the interim, a tactical plan was being established to address immediate risks and lay the groundwork for longer-term improvements. The approach was explicitly risk based with interventions prioritised where vulnerabilities were externally visible, require minimal privileges or were known to be exploited. The plan recognised that not all vulnerabilities can be addressed without disruption and consequently formal risk acceptance and exception routes were required alongside accelerated control implementation.

(3) The tactical plan comprised four core components: establishing next generation security operations: establishing security by design: prioritising urgent risk reduction: and addressing risks related to the unmanaged IT estate.

(4) At a recent meeting, UE had endorsed the request for a mandate to reduce security risks and support for clear decision making when short-term inconvenience is necessary to ensure longer-term security.

Noted:

(1) Experience from other sectors suggested that, in relation to the unmanaged estate, developing a community of practice to share knowledge and provide visibility of centralised support was an effective way of reducing risk, and this was part of the planned approach.

(2) A key part of the above approach was developing a compelling narrative for local IT operators, encouraging integration into the managed estate: this included being explicit about potential reputational (personal and institutional) consequences of non-compliance and establishing financial consequences for staying outside the managed estate.

(3) In relation to the unmanaged estate, there were known areas of higher risk which would be treated as a priority, but it was also important to develop understanding of "unknown unknowns" and in this context external validation was important. The Committee agreed that it would be helpful to be provided with a prioritised list of unmanaged estate risks at a future meeting.

(4) The Committee's cyber adviser endorsed the approach outlined in the paper and gave an assessment of current threat level, noting an increased prevalence of external threat actors seeking to recruit those with existing access to systems to compromise security. The open nature of the university estate increased general vulnerability compared, for example, to commercial entities.

(5) Awareness raising and training would continue to play an important role in mitigating risk alongside planned enhancement to operations and system design. Cyber security formed part of essential training for staff and another contingency planning exercise for senior leaders was scheduled. Developing a standardised and robust approach to permissions (particularly on user owned devices) was also integral to management of risk.

(6) The Committee endorsed the supportive mandate provided by UE, including the short-term tactical plan (noting the intention to submit the master plan to the Committee in June).

Action: Chief Information Security Officer

7. Internal Audit and Internal Control

(i) Uniac Progress Report

Received: the latest Uniac internal audit progress report, which included a summary of progress since the previous meeting.

(a) Procurement – Larger Contract Management – Follow Up

Reported:

(1) Uniac had carried out a follow-up review after the earlier audit of procurement which had resulted in a conclusion of inadequate assurance over procurement within Estates and Facilities and limited assurance for the rest of the University.

(2) Following the original review, there had been significant staff changes including the appointment of both a new Chief Property Officer and a Director of Procurement. In addition, there had been a refresh of processes and controls to support the University in transitioning to improved procurement and contract management across the institution, in particular within Estates and Facilities.

(3) As part of the follow-up work, Uniac met with the Chief Property Officer and five members of his senior team, the Director of Procurement, the Head of Supplier Relationship Management and with the Associate Director, Legal Affairs (Property, Procurement and Projects) to discuss the ongoing work and improvements.

(4) Uniac provided a grading of reasonable assurance which reflected the progress made in developing the control environment around procurement and contract management since the previous review. Some actions were still in progress following recent staff changes and pending further systems enhancements (for example, a new contracts register). The report provided positive assurance on several agreed actions: there were two further moderately ranked findings from the review and actions were in hand to address issues raised.

Noted:

(1) The Committee commended the progress made and the Chief Property Officer paid tribute to the efforts of all colleagues involved, noting in particular, the significant amount of resource committed to retendering.

(2) In response to questions about evidence and measurement of culture change, the Chief Property Officer emphasised the importance of the senior team modelling leadership behaviours, with the values embedded in the Manchester 2035 Strategy providing a focal point.

(3) A further follow-up review would take place in either quarter 4 in 2025/26 or early in 2026/27 to assess continued progress.

(b) Faculty of Biology, Medicine and Health (FBMH) - Dentistry (Bachelor in Dental Sciences and BSc Programme)

Reported:

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[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[Redacted]

[Redacted]

[Redacted] **Redacted – restricted information**

(7) The Committee would receive regular updates to provide assurance on effective implementation of agreed management action.

Action: Chair of ARC to liaise with Vice-President (Teaching, Learning and Students)

(c) School Review - Natural Sciences – Faculty of Science and Engineering (FSE)

Reported:

- (1) The audit had been carried out as part of the regular cycle of School Reviews
- (2) The review provided substantial assurance in relation to effectiveness of design, effectiveness of implementation and economy and efficiency with two moderate risk findings.

(d) IT Disaster Recovery and Business Continuity Planning – Follow Up

Reported:

- (1) The review assessed progress on actions agreed following the February 2025 audit of IT Disaster Recovery and Business Continuity Planning audit
- (2) The review provided substantial assurance in relation to effectiveness of design and effectiveness of implementation.

(e) FSE – Programme Accreditation

Reported:

- (1) The audit examined the internal controls and processes for maintaining programme accreditations in FSE.
- (2) The review provided reasonable assurance in relation to effectiveness of design, effectiveness of implementation and economy and efficiency with five medium risk findings. These included the lack of a university-wide policy for the management of accreditations.

(f) FBMH – International Partnership Governance

Reported:

- (1) The audit had been requested by FBMH leadership as an area of risk (particularly the level of due diligence undertaken historically on international partnerships).

(2) The review provided reasonable assurance over the processes and controls in place to manage FBMH's international partnerships and the wider internationalisation agenda. Whilst recognising the faculty's plans to improve processes and strengthen compliance, the report raised one high and two medium risk findings: the high risk finding related to consistency and standardisation of approach, policy and practice.

(g) General Tracker Review

Reported:

(1) The review was the first of two annual summaries setting out progress of institutional tracker actions arising from Uniac reports.

(2) Based on action progress, the report provided substantial assurance for action progress between August 2025 and January 2026 reflecting the action completion rate.

(i) Briefing Report from Chief Executive Officer, Uniac

Received: a presentation from Jane Forbes, Chief Executive Officer of Uniac, setting out Uniac's ambition to become the most sought-after, expert assurance partner for UK Higher Education and measures to achieve that ambition, including bolstering experience, providing wider industry best practice and insight, investing in digital tools and techniques, collaboration and knowledge sharing and expanding its offer to members.

(ii) Internal Investigatory Work

Noted: there were no current issues to report.

8. Health, Safety and Wellbeing Quarterly Report (Q1, August-October 2025)

Received: the latest quarterly report from the Health, Safety and Wellbeing Committee which provided an update on progress against a range of key performance indicators and metrics, including key trends.

Noted: given time pressures in the meeting, the RSCOO agreed to respond to comments and questions from members by correspondence. **Action: RSCOO**

9. Fraud Response Plan

Received: the revised Fraud Response Plan which had been updated to ensure alignment with the Economic Crime and Corporate Transparency Act

Noted: relevant training would form part of the essentials package for all staff, with more targeted and detailed training based on roles and responsibilities.

Agreed: to approve the revised Fraud Response Plan

10. External Audit Tender Process

Received: a summary of the audit tender bid process, informed by interviews conducted by members of the Committee with BDO, Mazars, and MHA on 14 January 2026.

Noted: the panel on 14 January had unanimously concluded that BDO were the preferred candidate. As a Public Interest Entity, it was necessary to take at least two recommendations to the Board. Whilst both Mazars and MHA were potentially appointable, if it was not possible to confirm the appointment of BDO, there would need to be re-engagement with both firms before making a subsequent recommendation for appointment.

Agreed: to recommend the appointment of BDO as external auditors (for three years, beginning with financial year ending 31 July 2027) noting the alternative course of action outlined above if it was not possible to confirm the appointment of BDO.

11. External Audit

Received: the final audit findings report from PKF, including management responses.

12. Public Interest Disclosures

Received: an update on Public Interest Disclosure/Whistleblowing cases.

Noted: one of the cases related to the operation of a specific staff network. Whilst these issues were not systemic across networks, action would be taken to strengthen network governance more broadly.

13. Committee Forward Agenda 2025-26

Received: the updated Committee forward agenda

14. Dates of remaining meeting in 2025-26

Noted: the following dates for remaining meetings in 2025-26: (both 11am-1pm):

- Wednesday 22 April 2026 - Online
- Wednesday 10 June 2025 - In person