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Audit Panel Standard Procedures

The Verification Team

Members of a verification team are invited to attend meetings of the Audit Panel when reports they have produced from visits are due to be discussed, in practice this means that verifiers attend most meetings (subject to their availability). Members of the verification team are appointed by the Audit Panel on the recommendation of the relevant member of staff at Unipol with responsibility for overseeing the operation of the Codes (who also has responsibility for undertaking any contractual obligations in respect of fees paid). The Chair of the Audit Panel and Unipol meet annually to review the effectiveness of the verifiers in respect of the terms and conditions of their appointment.

Appointments to the Audit Panel are made for three years (but can be renewed) and fees can be paid to its members, as agreed by the Consortium.

Decision-Making at the Audit Panel

The Audit Panel has a wide-ranging set of responsibilities and decision-making at the Audit Panel is determined by the Chair, following advice and information from the Deputy Chairs, members of the verification team and the staff team supporting the Audit Panel's considerations.

If urgent decisions are needed the Chair will take Chair's action outside of the Audit Panel meetings, such action to be reported to the Audit Panel and the Consortium at their first available meeting date.

In taking decisions, the Chair will often base those decisions on verifier's reported and recommendations made within them. The Chair is not responsible for the content of those reports, which are written by trained professionals, and takes their decisions involving the outcomes from membership applications and verification within the following framework:

- the standing procedures
- ensuring that verifiers' reports are presented in a standardised format
- maintaining consistence and fairness between decisions taken in respect of different Code members
- working on the basis that where a Code member is showing commitment to the Code and demonstrating progress towards full compliance, it is better to work with them, in a structured manner, than to suspend them

- in the event that there are perceptions of risk related to health and safety, the Chair will need to be assured of mitigations put in place to address such issues whilst any wider issues are being resolved.

The self-assessment and verification process

Self-assessment involves applicants/existing members completing a standard questionnaire (SAQ) in which they are asked to assess themselves against a range of criteria.

Verification involves an independent professional verifier visiting a sample of the applicant's/existing member's portfolio and cross-checking claims made in the SAQ. Specifically, the verifier shall:

- inspect and assess aspects of the physical fabric of the building and the management routines
- interview existing tenants in order to form a view on the level of customer satisfaction.

Specified documentation within the Codes shall be provided to the verifier two weeks in advance of the visit.

The verification report

A verification report is issued after each visit.

In completing a verification report a verifier must reach a clear decision, recording conclusions on:

- how an applicant/existing member's self-assessment compares with the verifier's conclusions
- any work that must be undertaken to ensure compliance with the relevant Code and the timescale within which that work must be undertaken
- whether a re-inspection is required and when this will take place

The NCA sends providers a draft copy of their verification report in order to give them an opportunity to correct errors before the report is formally issued. Providers are required to acknowledge receipt of the draft in writing within 14 days. If they fail to do so, the NCA shall send them a 14-day reminder, and if they fail to acknowledge within the additional time allowance, the NCA shall refer the matter to the Tribunal with a recommended course of action.

If any problems are identified by the report, these will remain between the parties for 30 days whilst the provider concerned has an opportunity to rectify these or dispute the report.

If there is a dispute over the wording of a verification report, which cannot be resolved between a provider and the verifier (operating in consultation with the Audit Panel), the NCA shall refer the matter to the Chair of the Tribunal for a decision. Records of the Tribunal process and its outcome are posted on the website and placed in the public domain.

The Consortium determines the format of the verification report.

The NCA holds all completed verification reports on file for six years.

Action Points

The verification report format includes a requirement for the logging of any Action Points. Where an Action Point is recorded, the verifier includes a timescale within which the provider must complete the action specified. The verifier follows up all Action Points they have formally identified and reports the outcomes to the Audit Panel.

For new members, where the verifier has stipulated a number of conditions, such as Action Points, the verifier shall have discretion to make a recommendation to award membership notwithstanding the works not yet having been undertaken.

Recommendations Made by Verifiers

The NCA refers verifiers' recommendations on membership to the Audit Panel for confirmation. If the Audit Panel concludes that membership should not be awarded, the matter shall be referred to the Tribunal, which has sole authority to make decisions on refusal of membership. Where the Tribunal determines to suspend or not to award membership, or suspends a building or buildings the NCA shall, on its behalf, inform relevant local housing authorities and educational establishments.

Specifically, where a verification visit reveals issues with the physical conditions of a building, especially where the verifier believes these might constitute a statutory breach, a referral shall be made to the relevant local housing Authority.

In the case of existing members, if a serious issue of non-compliance arises, the Audit Panel may choose to suspend a building from Code cover for a period of time not to exceed 52 weeks (but ideally not more than 12 weeks). The Panel can extend an initial suspension in respect of specified buildings in a number of separate decisions within the overall time limit of 52 weeks.

The Tribunal will always be involved in making a recommendation about the removal or longer term suspension from the relevant Code. In considering such matters the Tribunal shall hear from all interested parties.

In the event of significant non-compliance by a new applicant, membership is normally not given until the relevant standard has been met.

Failure to complete any action points set by a verifier following a visit is also reported to the Audit Panel.

Verifiers [via the NCA] refer to the Audit Panel providers which have failed to complete Action Points within the deadlines set. The Audit Panel then decides on the appropriate action which may include:

- warning(s) – to be reported to the CoM
- immediate suspension of a building/s or a member prior to consideration by the Tribunal
- a referral to the Tribunal
- recommendation of expulsion from membership to the Tribunal

Notification of warnings and immediate suspensions are normally placed in the public domain and posted on the website.

The Chair of the Audit Panel can may take Chair's action on any of these matters between meetings following consultation with colleagues about any serious decision. When necessary or urgent, the Chairs can, however, take a decision on immediate suspension without such consultation, but will report this fact to other members of the Audit Panel as soon as possible thereafter.

Reporting of New Members

The NCA reports all new members to the Audit Panel and the Committee of Management at the earliest opportunity.

Developments Which Change Operational Management

Where developments change operational management, they are re-verified (even where the new manager is an existing member) before being added to the list of buildings covered by the relevant Code.

Continuing Verification

After being granted membership initially, a member has a further building verified every three years. Where a member has only one development or a small portfolio, reverification of the same property may become necessary as part of the continuing verification process. However, for larger suppliers, buildings shall be selected from their portfolio for inspection within each three-year period of membership to ensure that a cross-section of their properties (including size, location and type) is verified. The NCA shall submit proposals to the Audit Panel for approval of which developments to verify and when.

Verification Visits Triggered by Complaints/Concerns

Complaints or concerns received by the NCA can trigger additional verification visits. The Audit Panel considers any request from a Consortium member for additional verification.

Status of the Verification Process

For the avoidance of doubt, the verification process does not directly test compliance with any statutory or contractual obligations and in no way absolves the providing organisation from their responsibilities to comply with such requirements.

Peer-to-Peer Verification

Educational institutions can choose from two systems of assessment and verification. The former, as explained above, involves using external verifiers appointed by Unipol. The other is that an educational institution can choose to be verified by a nominated representative from another institution. Both methods involve staff trained in the Code's self-assessment and verification systems.

At the current time only the Colleges under the University of Cambridge operate peer-to-peer reviews. Cambridge Colleges have particular issues relating to the nature of them as residential communities and many involve complex matters involving listed buildings, so it is useful to have a pool of expertise geared to these particular circumstances.

Each College is an independent institution and a lead verifier and an assistant are appointed from another College who then carry out the normal task of verification. All Colleges are visited every three years. There is a Cambridge Colleges Co-ordinator who ensures that assessments are retuned and that the peer-to-peer verification team is properly staffed and appointed.

The verification reports are the same as those used throughout the educational Code and, if necessary, they set out Action Points together with relevant timescales for changes to be made. The Self-Assessments and the Verification Reports are reported, as normal, to the Audit Panel that oversees compliance.

Conflicts of Interest

A standard agenda item appears on all Audit Panel agendas before taking any substantive business headed "*Members' Disclosures*" where any Audit Panel Member with any perceived conflict of interest on any matters before the Audit Panel at that meeting should declare those possible interests.

The following guidance in available to Panel members but the key responsibility when a member thinks they may have a conflict is to declare this at the relevant point in the meeting.

Audit Panel members are appointed because of their wide experience of working either with or in the student accommodation sector which enables them to make informed recommendations and judgements about Code membership, compliance with the Codes and what to do when non-compliance takes place. Generally, a conflict of interest declaration should be made where there is a *current* link (or the possibility of a link in the near future) to any Code Member under discussion. A current link would include employment or consultancy work. In the event that an agreement has been signed with a Code Member that includes a non-disclosure provision, meaning that the link should not be disclosed, then the Panel member should resign from the Panel at the point of agreeing such a provision.

Once an interest is declared, it is for the Panel Chair to decide how to proceed. In most cases, it is likely that the Panel member will be asked to remove themselves from considerations of how to proceed with that *specific* Code Member although it will be in order for them to continue to present factual information or the outcome of any verification visits to the Panel in respect of that Member.

The Chair of the Panel will complete a Register of Interests and update this annually with Unipol's Company Secretary. In the event of the Chair registering a conflict of interest, then the item that affects will be chaired by one of the Deputy Chairs.

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Training, Moderation and Consistency

Audit Panel members are trained through a combination of professional certifications, ongoing development opportunities, and specific knowledge related to the National Code and its standards. The training ensures members are competent in assessing compliance and upholding the integrity of the Code.

Key Areas of Training:

- Compliance: Understanding the National Code standards and how they apply to different situations.
- Assessment: Evaluating compliance with the Code and identifying areas of concern.
- Verification: Conducting site visits and assessing the quality of student housing.
- Reporting: Preparing and submitting reports on compliance and any non-compliance issues.
- Decision-making: Making informed decisions about suspensions, referrals to tribunals, and other actions.

New verifiers take part in several visits using a "buddy" system with an experienced member who can provide detailed on-site advice which improves the rigour of any inspection and ensures a level of moderation between verifiers designed to maintain a consistency if approach.

There is an annual visit to a town or City involving the entire verification team where verification takes place in pairs and consistency of the visits is then assessed and any adjustments made to the methodology.