



**AUDIT AND RISK ASSURANCE COMMITTEE  
ACTIONS AND KEY DECISIONS OF THE MEETING**

<b>Meeting Date and Time:</b>	Thursday 27 <sup>th</sup> April 2023 at 10.45am
<b>Location:</b>	Futureworks
<b>Present:</b>	Ian Falconer, Chair
	Gwyn Arnold, Member
	David McIntyre, Member
	Prof. David Vaughan, Member
<b>In attendance:</b>	Alan Doyle, Finance Director
	Ben Norris, Clerk
	Phill Liggett, Facilities Manager
	Chris Mayo, Principal (by invitation)
	Kate Sayer, Secretary

No.	ACTIONS
1	Secretariat to include the progress on the External Audit onto the ARAC meeting agendas as a standing item. (3ci-1)
2	Secretariat to revisit the meeting schedule for AY23/24 for the Board of Directors and ARAC to ensure the meeting schedule enables the external audit to be monitored and approved efficiently. Schedule to be provided to the ARAC meeting in July. (3ci-2)
3	Secretariat to schedule a meeting between members of ARAC and the Board of Directors to discuss Futureworks' strategic ambition. (3a-1)
4	Progress on the Bison assist actions are to be reported back to the next ARAC meeting. (3b-1)
5	Actions which are behind schedule are to be given a completion date and progress on these actions are to be reported back to the next ARAC meeting. (3b-2)
6	Secretariat to make minor changes and add the external auditor cycle to the indicative work schedule for AY23/24. (4a-1)
7	Risk Management team to add internal/external audit, explanation of the RAG rating and a risk management plan to the Risk Management Strategy. (6a-1)

No.	KEY DECISIONS
1	[This section contains commercially sensitive information and has been redacted.]
2	How to approach the external audit tender meetings was agreed.
3	Risk register coversheet summaries to include change in residual risk score as well as the direction of travel.
4	ARAC to consider what assurances are required in order to complete the DAPs preparation.



**AUDIT AND RISK ASSURANCE COMMITTEE  
MINUTES OF THE MEETING HELD ON 27<sup>th</sup> APRIL 2023 @ 10.45am  
at FUTUREWORKS  
FOR GENERAL RELEASE**

Present: **Ian Falconer, Chair**  
**Gwyn Arnold, Member**  
**Dave McIntyre, Member**  
**Prof. David Vaughan, Member**

In attendance:

**Alan Doyle, Finance Director**  
**Ben Norris, Clerk**  
**Phill Liggett, Facilities Manager**  
**Chris Mayo, Principal (by invitation)**  
**Kate Sayer, Secretary**

**1. WELCOME BY THE CHAIR AND APOLOGIES FOR ABSENCE**

The Chair welcomed the members and set out the order of the meeting. The Principal was welcomed to the meeting, attending items 3c and 6b only. Items were raised in a different order to the agenda and this is reflected in the minutes. Original agenda numbers are shown in brackets after headings and actions numbers refer to original agenda sequencing.

**2. DECLARATIONS OF INTEREST**

None declared.

**3. COMMITTEE BUSINESS**

a. Matters Arising –

[This section contains commercially sensitive information and has been redacted.]

**[Action: Secretariat to include the progress on the External Audit onto the ARAC meeting agendas as a standing item.] (3ci-1)**

**[Action: Secretariat to revisit the meeting schedule for AY23/24 for the Board of Directors and ARAC to ensure the meeting schedule enables the external audit to be monitored and approved efficiently. Schedule to be provided to the ARAC meeting in July.] (3ci-2)**

(Phill Liggett joined the meeting at this point.)

**4. MANAGING ASSURANCE ARRANGEMENTS:**

a. External Audit tender update – (6b) – tender proposals for the three companies pitching to become Futureworks' new external auditor were considered and the pros and cons of each were discussed. All three companies were scheduled to have meetings with ARAC members during a break in the ARAC committee meeting, and a decision as to which company would be awarded the tender would then be made in due course. [This section contains commercially sensitive information and has been redacted.]

(Chris Mayo left the meeting at this point.)

**5. COMMITTEE BUSINESS:**

a. Minutes of 12.01.23 – (3a) - the minutes were approved in terms of content and



accuracy, subject to adding as a key decision ARAC's suggestion of a discussion with the Board of Directors about Futureworks' strategic ambition and how it would be resourced and measured. Scheduling this meeting between the Board of Directors and ARAC was also to be added to the Action Tracker.

- b. Action Tracker – (3b) - the committee reviewed the action tracker. The following actions were addressed in more detail:
- [ARAC]Jan-23|5a(3-1) – the Finance Director reported that a system for tracking when smaller fixed assets (such as camera equipment) is borrowed is being looked into.
  - [ARAC]Jan-23|3cii(1) – in the management response to the Bison Assist report, there were a number of recommendations marked as behind schedule. Members requested an update on the progress of all the actions at its next meeting.

ARAC requested that for any actions marked as Red (In progress- behind schedule) it should be asked to approve a revised completion date. The rationale being that ARAC has previously accepted that these items are identified risks, and therefore requires assurance that some mitigation is being put in place. The red items will be reported to the Board of Directors as risks that are currently unmitigated and will be revisited at the next ARAC meeting.

**[Action: Secretariat to schedule a meeting between members of ARAC and the Board of Directors to discuss Futureworks' strategic ambition.] (3a-1)**

**[Action: Progress on the Bison assist actions are to be reported back to the next ARAC meeting.] (3b-1)**

**[Action: Actions which are behind schedule are to be given a completion date and progress on these actions are to be reported back to the next ARAC meeting.] (3b-2)**

## **6. ESSENTIAL READING:**

- a. Minutes & action plans of other committees – (12a):
- i. Board of Directors Minutes & Action Plan
  - ii. Academic Board Minutes & Action Plan

Pertinent items from these documents have been included on the agenda for the ARAC meeting. A factual error in the Board of Directors minutes was noted, i.e. the external audit was being retendered, not the internal audit.

## **7. COMMISSIONING ASSURANCE:**

- a. ARAC indicative work schedule for AY23/24 – (4a) - this was discussed by the committee. The external audit cycle needs adding to the work schedule alongside a minor date adjustment.
- b. Risk Register – (4b) – this was welcomed by the committee. It was mentioned that the coversheet summary was helpful but would be further enhanced by adding brief descriptions of each risk and detailing the change in residual risk score as well as the direction of travel.
- [This section contains commercially sensitive information and has been redacted.]  
The Chair confirmed that the committee is satisfied that Futureworks has a risk focussed approach to management.

**[Action: Secretariat to make minor changes and add the external auditor cycle to the indicative work schedule for AY23/24.] (4a-1)**

## **8. RECEIVING ASSURANCE:**

- a. Financial management update Q2 2022/23 –(5a) [This section contains commercially sensitive information and has been redacted.]



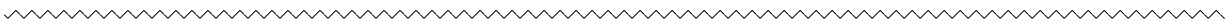
- b. Review of regulatory and data return compliance – (5b) - the committee was assured that Futureworks was fully compliant.
- c. Student Outcomes data – (5d) - this was noted by the committee.

**9. MANAGING ASSURANCE ARRANGEMENTS:**

- a. Risk Management Strategy – (6a) - a few updates had been made to the strategy which required approval by the committee. The changes had been suggested by the Risk Management team, and it was agreed that the Board Assurance Framework document was useful. It was pointed out that the strategy gave no reference to internal and external audit and there was no accompanying plan. An explanation of the RAG rating would also be beneficial.

**[Action: Risk Management team to add internal/external audit, explanation of the RAG rating and a risk management plan to the Risk Management Strategy.] (6a-1)**

The meeting paused at this time for the External Audit tender meetings.



The meeting resumed at 2.50pm.

(Ben Norris and Phill Liggett were not present for this stage of the meeting.)

**10. RECEIVING ASSURANCE:**

- a. DAPs Update – (5c) – the Finance Director gave an update on progress towards Degree Awarding Powers. A long discussion had taken place at the previous Board of Directors meeting regarding readiness for the application and how the process was being communicated to other committees. The DAPs Steering Group had decided to rethink how the process was being managed and to look at suitable tools to help this process. To this end, Smartsheet project management tool has been acquired and is now being utilised.

The project plan has been summarised and key milestones are to be presented to the Board of Directors in May, presenting Futureworks' progress in fulfilling all of the DAPs criteria. This is to include the funding required, which will be presented as a sequence of projects rather than an annual spend. The new Head of Academic Quality & Standards (starting at the beginning of May) which will help significantly in that area.

A fundamental review of the functioning of the Academic Board had taken place with proposed changes to be presented to the next Academic Board and Board of Directors meetings. [This section contains commercially sensitive information and has been redacted.] The terms of reference of the committee has been readdressed alongside how the School Committees and Learning and Teaching committee report to the Academic Board. The Learning, Teaching and Research committee is to be renamed the Learning and Teaching Committee, with research being removed from its remit.

Work is being done to improve staff communication and to carry out staff appraisals. More student involvement in governance is still a key area for work. The Principal and Finance Director attended a student partner meeting which was well received by the students; further student partner meetings will be attended if requested. [This section contains commercially sensitive information and has been redacted.]

Committee members welcomed this paper which gave evidence of an honest and open assessment of what work was still needed to apply for DAPs. The planned investment in staff and in the Quercus system was welcomed, and it was stated that staff appraisal and development would be welcomed by staff. The Chair stated that



the ARAC committee should be more focussed on helping Futureworks in the achievement of DAPs, and should consider what assurances were required in order to complete the preparation for DAPs.

**11. REVIEW OF MEETING AND MATTERS FOR REPORTING TO THE BOARD OF DIRECTORS:**

- Email from OfS 20.04.23 – overview of discussion to be presented to the Board of Directors.

**12. AOB:**

None

**13. ITEMS FOR FUTURE DISCUSSION:**

N/A.

**14. DATE OF NEXT MEETING:**

Next meeting is on Tuesday 18<sup>th</sup> July 2023 @11.30am