



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

<b>Meeting Date and Time:</b>	Thursday 28 <sup>th</sup> April 2022 at 11.00
<b>Location:</b>	Futureworks and via Teams
<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
	Kate Sayer, Secretary

No.	ACTIONS
1	[This section contains commercially sensitive information and has been redacted.]
2	FD to merge the two financial risks on the Risk Register. (4a-1)
3	Secretariat to add a RAG rating to the Board Assurance Framework. (4b-1)
4	VP to add introductory sentences to the Board Assurance Framework to clarify ARAC’s role of reporting findings back to the BoD rather than having specific area responsibilities. (4b-2)
5	VP to report back to the next meeting to clarify the situation on whistleblowing. (5c-1)

No.	KEY DECISIONS
1	When actions are ongoing with completion dates altered, they should be marked as amber rather than green (in progress-on schedule) so as not to be misleading. When items are not due, they should be left white rather than amber.
2	The ARAC committee therefore requested to look at all retention related data at the next meeting to track the progress made.
3	GA, the VP and FD to discuss the whistleblowing policies.



**AUDIT AND RISK ASSURANCE COMMITTEE**  
**MINUTES OF THE MEETING HELD ON 28<sup>th</sup> APRIL 2022 @ 11.00**  
**via Teams and 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**  
**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.

**2. DECLARATIONS OF INTEREST**

None declared.

**3. COMMITTEE BUSINESS:**

- a. Minutes of 25.01.22 for Accuracy – the minutes were approved in terms of content and accuracy.
- b. Action Tracker:
  - [ARAC]Jan-20|4a(1) – a discussion took place regarding the Strategic Plan and the Short to Medium Term Strategy document (doc12b-2). The Strategic Plan is currently being updated by the Executive Team. Whether or not a more operational plan was needed to feed into the Strategic Plan was discussed. Accurate and achievable timescales for the strategic goals should be set to ensure work stayed on track. The committee stressed the importance of ensuring that the strategy was both fully understood by relevant stakeholders and properly resourced. [This section contains commercially sensitive information and has been redacted.]
  - [ARAC]Dec-20|3a(1) – the Digital Strategy was briefly discussed, alongside its relationship to the student experience. It was highlighted that improvements mentioned in the strategy could only be carried out when there was a surplus of income, and that IT was currently serviced by a single staff member which limited the amount that could be achieved in the short term.
  - It was noted that when actions have been ongoing and their completion dates altered, they should be marked as amber (in progress-behind schedule) rather than green (in progress-on schedule) so as not to be misleading. When items are not due, they should be left white rather than amber.
  - Completed actions were accepted and signed off by the committee.
- c. Update on Actions of other committees – a different form of presentation has been requested for the Principal's report that goes to the Board of Directors. A template has been passed on to both the Vice-Principal and Principal for this work which is to include a response to a list of 23 items including areas such as KPIs, the Operational Plan and progress on the Strategic Plan.  
Members noted that the Academic Board still seems to be struggling to engage student partners and the approach used is therefore to be re-evaluated. The proposed change to the Executive/Management committee was discussed and the



committee felt that the plan to remove the formal quarterly meetings, thus allowing a more operational approach involving more staff members would be suitable and productive. The terms of reference for the committee would remain the same, with no changes to the Scheme of Delegation.

- d. The proposed update to the Indicative Work Schedule was accepted by the committee.

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

#### **4. COMMISSIONING ASSURANCE:**

- a. Review of Institutional Risk Register – the committee reviewed the updated Risk Register. A few residual risk scores had been lowered including the financial risks. A new Health and Safety risk had been added, referencing the separate Health and Safety Risk Register. It was noted that the number of risks flagged as red was now within the risk appetite for Futureworks, which was a positive development. There was some discussion around the financial risks, whether the score should indeed be lowered, and whether the two financial risks (both of which relate to student retention) should be amalgamated. It was clarified that both the number of applicants and the number of confirmed student acceptances were up which would give good grounds to reduce the financial risk. The work needed to reduce the number of red and amber risk scores further is detailed in the Short to Medium Term Strategy.  
Futureworks has focussed significantly on improving its student retention. The ARAC committee therefore requested to look at all retention related data at the next meeting to track the progress made. The committee were assured that a risk-focused approach continued to be applied at Futureworks and welcomed the summary given. Ensuring that the student applicant number converts into new students enrolled in September is paramount and further focus on this goal was suggested.
- b. Review of Board Assurance Framework – the committee accepted the revised format of the framework, which referenced the Risk Register. The addition of a RAG rating was advised which would help clarify which areas need most focus. ARAC was only mentioned in one area as their overarching role is to report findings/concerns back to the Board of Directors (BoD). Introductory sentences will be added to the document to this effect.

**[Action: FD to merge the two financial risks on the Risk Register.] (4a-1)**

**[Action: Secretariat to add a RAG rating to the Board Assurance Framework.] (4b-1)**

**[Action: VP to add introductory sentences to the Board Assurance Framework to clarify ARAC's role of reporting findings back to the BoD rather than having specific area responsibilities.] (4b-2)**

#### **5. RECEIVING ASSURANCE:**

- a. Financial Management – [This section contains commercially sensitive information and has been redacted.]
- b. Update on regulatory compliance matters – the committee welcomed the assurance that all returns had been completed on time and were happy to see the Conditions of Registration Tracker. It was highlighted that the OfS letter regarding the Access and Participation (A&P) spend could trigger a possible emerging risk, and it was recommended that this be monitored. The letter referred to changing students from one A&P plan to a newer updated plan. However, no students were disadvantaged by this change – in fact they benefitted – therefore the only issue noted was that the change was not communicated clearly to the OfS. Closer relations with the OfS will ensure that this does not happen in the future.
- c. Review of employee handbook and contracts – all staff are to receive new contracts



in line with updated employment law. The only changes made were legislative, therefore there should be no concerns in transitioning all staff over to the new contracts. The updates to the Employee Handbook were noted and a discussion took place regarding whistleblowing and how this is dealt with in the handbook. A Public Interest Disclosure (Whistleblowing) Policy is contained in the handbook which covers the legal requirements for an institution such as Futureworks. A separate Freedom to Speak Up/ Public Interest Disclosure Policy specifically for Futureworks has also been approved by the Board and is available separately. The two overlapping documents are to be looked at outside of the meeting by GA alongside the VP and FD.

**[Action: VP to report back to the next meeting to clarify the situation on whistleblowing.] (5c-1)**

**6. MANAGING ASSURANCE ARRANGEMENTS:**

- a. Annual Review of Risk Management Strategy – the updated document was accepted by the committee.
- b. Update on work with internal auditors (UNIAC) – the delayed internal audit review of the Student Voice is to commence on 9<sup>th</sup> May, with a report to hopefully be ready in time for the next ARAC meeting in July, alongside the report on Cyber Security which is in progress. Alongside the UNIAC work, additional small internal assurance reviews are to be undertaken by members of the risk management team, an idea which was welcomed by the committee.

**7. REPORTING ASSURANCE:**

- a. External report on accessibility (Bison Assist) – reports on accessibility at the Riverside and Media City campuses had been carried out by this external company. The Facilities Manager and Principal are to discuss the reports and prepare a response including an action plan of how to deal with any relevant findings. The ARAC committee looked forward to receiving the response and action plan at the July meeting.

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

- a. The Chair praised the supporting meeting papers and noted that they were improving in quality each meeting.
- b. The committee were happy that the commissioned work with UNIAC appeared to be back on track and looked forward to receiving the reports.
- c. The financial management summary was well received – non-financial summaries were encouraged to be produced in the same format.
- d. It is important that Futureworks continues to concentrate on retention to ensure current students continue their studies through to graduation.
- e. The committee were pleased that staff were relating to the Short to Medium Term Strategy. It is important that this is also the case when the long term Futureworks Strategy is finalised.
- f. It would be preferable if UNIAC were present at ARAC meetings.

**9. AOB:**

None.

**10. ITEMS FOR FUTURE DISCUSSION:**

- a. Review of retention data.
- b. [This section contains commercially sensitive information and has been redacted.]
- c. Clarification on whistleblowing.
- d. Accessibility Action Plan.



**11. DATE OF NEXT MEETING:**

Date of the next meeting:

- Thursday 21<sup>st</sup> July 2022 11.30am.

**12. FURTHER READING:**

- a. Minutes & actions of other committees:
  - i. Board of Directors
  - ii. Academic Board
  - iii. Executive/Management Committee
  - iv. Action plans
- b. Short to Medium Term Strategy

These documents were referred to during the meeting. It was noted that these documents should perhaps be referred to as essential reading rather than further reading.