



**AUDIT AND RISK ASSURANCE COMMITTEE
MINUTES OF THE MEETING HELD ON TUESDAY 8th DECEMBER 2020 @13.00
FOR GENERAL RELEASE**

Present: **Ian Falconer, Chair**
Gwyn Arnold, Member
Alan Doyle, Member

In attendance:

Ben Norris, Clerk
Kate Sayer, Secretary

1. WELCOME AND APOLOGIES FOR ABSENCE

The Chair welcomed the committee and commended the meeting pack.

2. DECLARATION OF INTEREST

None.

3. MINUTES OF PREVIOUS MEETINGS

a. ARAC 20-21/01 22nd September 2020 Minutes (**doc3ai**)

- i. Accuracy - Minutes were approved in terms of accuracy and content.
- ii. Matters Arising, Action Tracker and Board Effectiveness Review (**doc3aii-1, 3aii-2**) –

Action Tracker:

1. 19-20/2.4a - both items on today's agenda.
2. 19-20/3.8a - FD to speak to internal auditors about attending future meetings.
3. 20-21/1.5c - on agenda for today's meeting.
4. 20-21/1.6d - on agenda for today's meeting.
5. 20-21/1.6e – monitoring of contract partnerships – this is to be looked at by the Executive Team.
6. 20-21/1.3aii – FD to give feedback regarding data quality report – Futureworks' in-house systems are very manual and labour-intensive. There have been no perceived errors in data provided to external bodies. The majority of teaching is currently delivered online due to COVID-19 and is anticipated to remain this way. Futureworks Executive team has decided to create a Digital Strategy for the next five years. Utilising UNIAC at the early stages of this strategy creation would be prudent. The committee welcomed the creation of this strategy and looked forward to receiving progress on this in due course.

Board Effectiveness Review:

1. Review Staff Handbook – and HR review has taken place and an all staff webinar is taking place on 9/12/20. Staff Handbook and Policies have been reviewed.
2. Publish Calendars of Business – the Executive Committee calendar is being compiled. All other committees have calendars of business.
3. Annual Review of Student complaints procedure – this will be going to the Academic Board in March.
4. Externally significant events – on the agenda for today's meeting.
5. Brand management – this is now on the workplan for the Executive Committee.
6. Equality, Diversity and Inclusion Report – completed.



7. Agree role profiles for members of committee members – on the agenda for today's meeting.
- b. Minutes of the Board of Directors – it was noted that these minutes gave good assurances.
- c. Minutes of the Academic Board – External Examiner reports were received after this meeting and are thus summarised in the Academic Board Report.
- d. Calendars of business for all committees – minor adjustments to calendars of business suggested.

[Action: FD to give progress report about Digital Strategy in due course. Digital Strategy to be added to workplan.]

[Action: all completed Actions to be removed from Action Plan.]

[Action: coversheet to be provided for minutes from other committees highlighting relevant assurances given.]

[Action: coversheet to be provided from Action Plans for other committees highlighting relevant assurances given.]

4. MANAGING ASSURANCE ARRANGEMENTS:

- a. Arrangements for recruitment of new ARAC member – the committee are happy to recommend the role specification for the new member of ARAC to the Board of Directors (BoD), and for the recruitment process to commence formally.
- b. Appointment/dismissal/remuneration of assurance providers – UNIAC will be officially working with Futureworks as an internal auditor.
- c. Policy Approval Matrix update – the Executive Team and Executive Committee are to be responsible for this matrix. The committee noted that the Ethical Practice Policy to be owned by the BoD is to be reviewed.
- d. Updated Stakeholder Needs Analysis – feedback was provided on this document which, subject to minor amendments, could be commended to the Board of Directors, and recommended for adoption.
- e. Institutionally Significant External Activities Policy – the committee accepted the changes suggested. This can now go to the BoD for approval.

[Action: Policy Approval Matrix to include separate columns for owner/approving committee.]

5. COMMISSIONING ASSURANCE:

- a. Risk Management Strategy & Risk Register – the strategy was received with minor amendments required. Minor adjustments suggested to the Risk Register. This could be cross referenced against the Matrix of Assurance Providers. COVID-19 is covered on a separate Risk Register and this was summarised by the Vice Principal. The risk of Academic standards not being maintained was discussed by the committee with a view to more responsibility being placed on Academic staff.
The committee welcomed the Risk Management Strategy and commended it to the BoD. They received the COVID-19 Risk Register and welcomed the format of the over-arching Risk Register and are assured that Futureworks has a robust approach to risk management.
- b. Internal audit schedule – (refer to item 3.a.ii.6) – a meeting is to take place this month with the auditors. The contract and scope of work are to follow the meeting.
- c. Matrix of Assurance Providers – the Chair welcomed the progress made on this document. Suggestions were given for additions when populating the matrix.



- d. Office for Students: value for money/quality and standards – a response to the consultation on value for money is to be given by the Board of Directors. The ARAC committee urged the BoD to commence self-assessment related to academic risks at Futureworks and respond to them. Fully resourcing the area of Academic Quality is to be recommended to the Board of Directors.

[Action: FD to make minor amendments to Risk Management Strategy document.]

[Action: Owner column to be added to Risk Register. Risk Management team to consider adding a reliance score.]

[Action: Remove colour coding from target risks on Risk Register.]

[Action: Risk Management Team to consider adjusting the statement in column 16 (Improvement Plans) for risk number 11 Academic Standards.]

[Action: Matrix of Assurance Providers to be populated for the meeting in March.]

6. RECEIVING ASSURANCE:

- a. External Audit update – the Financial Director gave an update on the external audit. The Chair met with the auditors on 30/1/20 and accepted the audit plan. The committee approved the audit plan and recommends it to the Board of Directors. The internal statement of control is also recommended to the BoD. A single agenda item ARAC meeting is to take place on 07/01/21 to receive the audited accounts.
- b. Academic Board annual report to the Board of Directors – this was commended as a good quality first report. Some areas could be sharpened to give more focused assurance. A summary of assurances, recommendations and who is responsible would be useful.
- c. Executive Team annual report to the Board of Directors – The report was accepted by the ARAC committee. Further information on Health and Safety, HR and GDPR would enhance the report.
- d. Update on whistleblowing, fraud and irregularity – the information was noted and the committee welcomed the positive assurance given.
- e. Analysis of self-assessment by Board of Directors – it was noted that the questionnaire currently dealt with administrative and operation matters. A more in-depth questionnaire may be beneficial.

[Action: GA to forward on list of suggestions for the AB report.]

[Action: Academic Board to consider creating a summary sheet of recommendations and assurances for each academic programme.]

[Action: Look on AdvanceHE and CUC websites for input into self-evaluation questionnaire.]

7. REPORTING ASSURANCE:

- a. Leonherman professional standards statement – the committee accepted the statement.
- b. ARAC Annual Report – the committee were happy to approve this report as final.
- c. Advice to Board on Report & Financial Statements – the committee noted and welcomed the financial reporting process.

[Action: send a copy of the HR report to the Chair.]

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

Risk Management and issues of resourcing are to go to the Board of Directors on 14/1/21.

[Action: set up a single item ARAC meeting on 7/1/21.]

9. AOB:

None.



10. ITEMS FOR FUTURE DISCUSSION:

None.

11. DATE OF NEXT MEETING

The next scheduled meetings of the Audit & Risk Assurance Committee are:

14th January 2021 @ 12.00 via Teams.

18th March 2021 @ 10.00 via Teams.