



BOARD OF DIRECTORS
MINUTES OF THE MEETING HELD ON 19TH JANUARY 2021 @ 09.30 via Teams
FOR GENERAL RELEASE

Present: **Prof. Rob Campbell, Chair**
Chris Mayo, Principal
Alan Doyle, Member
Prof. John Brooks, Member
Gwyn Arnold, Member
Ben Norris, Vice Principal (Clerk)

In attendance: **Kate Sayer, Secretary**

1. WELCOME BY THE CHAIR AND APOLOGIES FOR ABSENCE

Apologies from Tony Tyrrell.

2. DECLARATIONS OF INTEREST

None.

3. MINUTES OF PREVIOUS MEETINGS

- a. Confirmation of the minutes of the previous meeting (**doc3a**) – the minutes were approved in terms of content and accuracy.
- b. The Action Tracker document was discussed and approved by the committee. The number of actions marked as complete was commended.

ITEMS FOR CONSIDERATION, DISCUSSION AND/OR RESOLUTION:

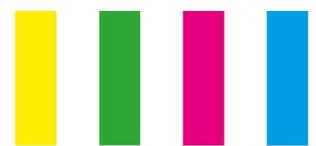
4. MATTERS ARISING

- a. Minutes were received from the Audit and Risk Assurance Committee and the Academic Board.
- b. Action plans were received from the Audit and Risk Assurance Committee and the Academic Board. It was noted that a number of actions for the Academic Board were outstanding. It was suggested that the ongoing impact of COVID-19 on academic staff workload was the main explanation for this.

5. REPORTS (FOR INFORMATION):

- a. Chair's Report – the Chair attended the Audit and Risk Assurance meeting last week to discuss the report of the external auditors on the accounts for 2019-20 which was before the Board for approval at today's meeting.
- b. Principal's Report – the current situation regarding teaching delivery in light of COVID-19 was briefly discussed. Programme tutors have been in regular contact with students since early January when further national lockdown measures were introduced. As soon as national guidance allows universities to open facilities to students, every effort will be made to allow maximum safe access to laboratory/studios for students. Futureworks is to mirror the practices of its awarding institution, UCLan, in regards to grading/extenuating circumstances in light of COVID-19.

For HR update see section 6c. Other areas of the Principal's report were deferred to give other agenda items the Board's full attention.



c. Financial Update:

- i. Financial Performance Update – the audited accounts and Going Concern document were discussed. The external audit was the most comprehensive carried out at Futureworks to date.

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

The main outgoing is building rent, followed by budgeted costs (salaries, tax, marketing etc.) Payments from grants, the Student Loan company and private student fees comprise the main sources of income, thus student recruitment and retention are key factors.

- ii. Review of Quarter 1 accounts – the accounts were received and accepted by the Board of Directors.
- iii. Cashflow reforecast 2020-21 September budget and Going Concern – any variances between the forecast and actuals can be accounted for and the cashflow therefore did not flag any areas of concern. A very detailed cost analysis is maintained and the Board of Directors received full and credible assurance that Futureworks has accurate knowledge of and tight control over its income and expenditure.

The Going Concern document was discussed which included contingency measures which could be utilised to mitigate against any fall in income. Retention was noted as an issue in AY2018/19 due to a number of specific issues on one academic programme; as a result of this, significant effort had been made to change and improve the programme. This work resulted in significantly better student retention in AY2019/20 and marked improvements in student engagement. This academic year it is anticipated that retention will remain at normal levels for the year despite COVID-19, which is very positive for Futureworks. Recruitment figures for AY21/22 are projected to be slightly above this year's student intake, with all three cohorts due to pay the higher tuition fees, thus providing more income. It was noted that the Going Concern paper was both robust and helpful. The Board of Directors had full confidence on the basis of the information put before it that Futureworks was a going concern with no material uncertainties in the current financial year.

- d. ARAC Annual Report AY19/20 – The Chair commended this very thorough report on behalf of the Board of Directors and thanked the committee members involved. It was noted that within the first full year of the Audit and Risk Assurance Committee, the terms of reference had been broadly fulfilled; the secretariat were praised for their work for ARAC. This question of value for money should be revisited by the Academic Board and Board of Directors once clearer direction and advice was available from the Office for Students. The pressure on the small number of supporting staff was also highlighted and the prioritisation of work was flagged up. The Board of Directors was happy to accept the report and agreed that it provided very strong and credible assurances that Futureworks had identified its key risks and put in place effective processes to manage the process of mitigating them.

6. GOVERNANCE (FOR DISCUSSION):

- a. Audited Accounts AY19/20 Sign-off – The Audit and Risk Assurance committee were happy to recommend the Financial Statements and Letter of Representation to the



Board of Directors. The Board of Directors were content for the Chair to sign off the Audited Accounts and Letter of Representation.

- b. Nominations and Remunerations Committee proposal – the Board of Directors approved the proposal and asked that the joint committee be convened as soon as possible.
- c. Employee Payment/Salary & Grade Scheme – the new proposed employee salary and grading scheme was discussed. This has not had staff consultation but was created in collaboration with an HR consultant. The new scheme represents a career structure for staff. The Board approved the scheme and requested a review in September 2022 of the structure after one full academic year cycle.
- d. Institutional Risk Register – Futureworks’ Risk Management team was praised for the significant progress in embedding risk management into working practices and producing strong, relevant documentation. A few adjustments were suggested to the wording and grading on the register, and the risks related to reputation and profile could be added.
- e. Policy Matrix – The Board of Directors formally welcomed the Policy matrix as a very clear and useful framework. It was suggested that the responsible party for each policy be more clearly denoted, to align closer to the Scheme of Delegation.

[Action: FD to send p9 to the Chair for signature.] (6a-1)

[Action: Senior management to review employee salary/grading scheme in September 2022.] (6c-1)

[Action: Make amendments/additions to risk register.] (6d-1)

[Action: Add officer and authorising body columns to Policy Matrix.] (6e-1)

ITEMS FOR INFORMATION ONLY:

7. AOB:

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

8. ITEMS FOR FUTURE DISCUSSION:

None.

9. DATE OF NEXT MEETING:

Dates of the next meetings:

- date TBC in March
- Tuesday 15th June 2021 10am.