



**AUDIT AND RISK ASSURANCE COMMITTEE  
MINUTES OF THE MEETING HELD ON TUESDAY 9<sup>TH</sup> APRIL 2019 @10.00  
FOR GENERAL RELEASE**

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

In attendance:  
**Chris Mayo, Managing Director**  
**Ben Norris, Clerk**  
**Tony Tyrrell (proxy for Renee Tyrrell)**

- 1. WELCOME AND APOLOGIES FOR ABSENCE**
- 2. DECLARATION OF INTEREST**

The Finance Director as a Shareholder in the Company, was to participate in the Review (item 4) in his capacity as a Director of the Company, not as a member of the Committee.

- 3. MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING HELD ON THE 15<sup>TH</sup> FEBRUARY 2019 @13.30**

Approval of the minutes from the previous meeting of the Committee (paper 1). The Committee approved the minutes of the previous meeting and reviewed the actions generated:

- a. Scheme of Delegation: Creation of a SoD was underway. Members agreed that a preface to the SoD was required making clear what responsibilities could not be delegated. Members also agreed that the SoD should try to capture the journey/trajectory of decisions and actions and those responsible for them, include reference to the capacity in which each group or person would act (e.g. advisory, support or recommendation).
- b. Board of Directors self-assessment: This had been created and distributed to the Board in advance of the review (item 4).
- c. Discussion with the Board about the appointment of external auditors – TBD at the next meeting of the Board.
- d. Board appointment of internal auditors – TBD at the next meeting of the Board.
- e. Schedule of future meetings – this was completed and had been distributed.
- f. Creation of a publication policy – in progress.

**ITEMS FOR CONSIDERATION, DISCUSSION AND/OR RESOLUTION:**

- 4. REVIEW OF THE EFFECTIVENESS OF THE BOARD OF DIRECTORS** (paper 2)
  - a. Members conducted the review of the Board. The Chair gave an overview of the process and approach, and the expected outcomes – which included a report, to be submitted to the Office for Students and a workplan/action plan with specific dates. The Chair noted that some resources would be required for this, and that the review should be considered the start of the journey, rather than the end.
  - b. Members noted that given the relatively recent actions to restructure the Board and how it operates, there would be some difficulty in providing a straightforward measurement of the Board's effectiveness and that looking at historical activity would be less productive than looking forward to the Board's plans. It was noted



that this came with its advantages, as good practice and a fresh approach could be embedded from the start. It was noted that, through this review, a revised governance structure would emerge, and that ultimately the “old” method of governance was not considered compliant with the expectations which lay ahead.

AGREED: Members agreed that there was work to do on the basics, such as producing an updated Terms of Reference, role descriptions, identifying the role of Secretary to the Board. It was also noted that there should be a clear division between the regulatory and academic aspects to governance. Members noted that the General Manager’s role was closer to that of C.O.O. than to registrar, and that a C.O.O. would in most cases have an assistant clerk or academic secretary.

- c. Members noted that decision making processes should, in future, be driven by the new Scheme of Delegation and it should be clear where the Board needed to seek financial or legal advice; it was also noted that cover papers could be implemented for each Board meeting/discussion, which provided advice on the financial/regulatory/legal aspects of the discussion so that the Board could take this into consideration in their decision-making.

AGREED: Members agreed that formal minutes were required for every meeting of the Board.

- d. Members noted that the Board would benefit from a set of formal financial regulations – a high level policy document which set out the accounting standards for the Company, including who was authorised to spend Company funds, and to what extent. This would also include protections against fraud and ensure value for money was being sought at all times.

AGREED: The group agreed that the role of the Finance Committee would likely need to shift away from the detail of procurement of learning resources, and instead focus on research funding, estates, HR, performance assessment, management accounts and the like. It was noted that at present the annual budget was approved by the Board, and that Finance Committee – which may benefit from a title change to Finance & Resources Committee – would ensure the budget set by the Board was adhered to. It was agreed that work was required in this regard, specifically in understanding the financial management requirements of the Company and the Office for Students.

**[Actions: Chair to produce a report & action plan to be submitted to the OfS no later than Friday 28<sup>th</sup> June. The General Manager to assist as required.]**

#### ITEMS FOR INFORMATION ONLY:

5. **AOB**  
None

6. **DATE OF NEXT MEETING**  
The next meeting of the Audit & Risk Assurance Committee will take place on Tuesday 9<sup>th</sup> July @10.00