

Istituto Marangoni Limited
Audit and Risk Committee Meeting Minutes
 22/07/2025 – 11:00 – 13:00 UK Time
 IM London Boardroom/Teams Meeting

Members:	Dr Mark Eastwood Antonello Leogrande Robert Sherr	IM London Non-Executive Director (Chair) IM London Independent External Member IM London Independent External Member
Attendees Invited	Valerie Berdah-Levy Fabio Rubino Prof Mark Hunt Lucio Lombardi Rob Knowles Paddy Marshall Diane Rainsbury	IM Chief Operating Officer London & Paris IM London School Director Non- Executive Director IM London Financial Controller Internal Audit, UNIAC Internal Audit, UNIAC Registrar (Secretary)

Apologies	None
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	<p>1. Welcome apologies and quoracy 1.1 The Chair outlined the purpose of the meeting as set out on the agenda. There were no apologies for absence or declarations of interest.</p>
	<p>2. Minutes of the previous meeting 2.1. The minutes of the previous meeting held on 14 May were approved as an accurate record. 2.2.</p>
ACTION	<p>3. Matters arising 3.1. ARC received and noted the following matters arising and completed actions from the previous meeting:</p> <p>ARC(25)_02_02_1.1 The Registrar would invite the IT Manager to a future meeting as needed while the relevant workstreams previously referred to had already been completed. ARC(25)_03_05_2.1 Any further review of the recently approved policy would be taken forward as part of the cybersecurity internal audit follow up. ARC(25)_02_01_2.1.1 recruitment of a health and safety specialist was in progress and the HR department had engaged the services of a head hunter in response to the challenging recruitment market. ARC(25)_03_05_3.4 the inclusion of cybersecurity, automation of payments and integration of systems were being incorporated in conjunction with the continuing work on the Risk Register. ARC(25)_03_05_3.4 ARC noted the list of internal audits conducted to date. ARC(25)_03_05_4.2 the recommendation relating to redefining digital capabilities to reflect the importance of digital learning along with the addition of Cybersecurity and Health and Safety were being added to the Risk Register. ARC(25)_03_4.2 The progression of actions and associated management response were being progressed.</p>
ACTION	<p>4. Internal Audit 4.1. Internal Audit Progress Report (July 2025) ARC received and discussed UNIAC's Internal Audit Progress Report against the 2024/2025 internal audit programme and the proposed 2025/2026 audit programme and noted that all internal audits had been completed in accordance with the schedule. ARC approved the following audits to be undertaken in 2025/2026 as set out in the proposed schedule:</p> <p>Academic Quality policies (provisional allocation 6 days) Core financial controls-Income and Data Management (provisional allocation 5 days) Cyber Security (provisional allocation 5 days) UNIAC programme management (provisional allocation 6 days)</p> <p>4.2. Internal audit of student recruitment and admissions 4.2.1.ARC considered and discussed the following findings from the Internal Audit Report and associated management response:</p>

<p>ACTION</p>	<ul style="list-style-type: none"> i) the multiple sources of recruitment data are not mapped and not the most relevant to facilitate and support effective management and assessment; ii) the absence of guidance for programme leaders and the Director of Education when assessing and scoring applications, including those considered under Special Entry, and the absence of moderation on special entry decisions; iii) issues around recording of special entry decisions including the varied level of detail documenting the rationale for admission. The audit also concluded the absence of moderation of special entry decisions combined with the absence of documented guidance could potentially lead to inconsistency of fair and equal treatment; iv) inconsistency in the timeliness of processing applications and notification of decisions and ambiguity of required timeframes; v) lack of transparency in terms of Agent selection and the on-going management of agent contracts; vi) the sample testing identified issues of non-compliance with the required documented paperwork being held on file (two instances related to qualification on entry in relation to English Language requirement and a missing academic reference for one Masters applicant. UNIAC confirmed that given the relatively small instances of non-compliance the overall risk had been rated as low. <p>4.2.2.ARC agreed on the importance of ensuring decision making and associated guidance was well-documented, particularly for special entry applicants and those at minimal or borderline entry level. Management confirmed that it would be developing further guidance along with reminders for decision makers to make better and consistent use of the AOL platform when recording decisions. In relation to finding (1) management explained that it planned to utilise Cube as its main source of business intelligence for reporting purposes but that it would take time to implement it fully; hence the more extended time frame for closing this action. In discussion UNIAC clarified that progression of an applicant through the recruitment process would provide a useful and more meaningful metric that is not currently captured compared to the multiplicity of documents that had limited qualitative relevance.</p> <p>4.2.3. In relation to the need for greater transparency on agent selection, recruitment and performance this was an area of particular importance and potential risk originating from these matters being out with the School's control. Management explained that planned actions were already underway as part of its wider project around implementing the Agent Quality Framework (AQF). Planned actions included specifying various requirements that were specific to the UK as part of the Agent contract. The required changes would be implemented as part of the renewal of Agent contracts. Such changes included the requirement to participate in the British Council training and the development of a Complaints Process. ARC confirmed that it was happy with management's proposed actions and associated deadlines including management's explanation of its wider work on the AQF including those scheduled for completion by July 2026.</p>
<p>ACTION</p>	<p>5. School Director's Report</p> <p>5.1. The Committee received and considered the School Director's Report, including the following:</p> <ul style="list-style-type: none"> 5.1.1.2025 Student recruitment: overall recruitment remained challenging, reflecting broader sector trends with the Head of Student Recruitment having submitted a revised forecast of 510 against the budget target of 545 with the revised forecast represented a 2.3% year on year decline. Competitors have been adopting increasingly aggressive scholarship strategies within this increasingly competitive market. The School's own strategy was based around several initiatives designed to strengthen positioning and brand prestige and boost engagement across key markets. In that regard, Europe, India, China and Latin America were proving more challenging both in terms of reduced conversion and lower pipeline whereas Russia, Turkey, APAC and Mena were continuing to remain stable and showing potential for growth with recruitment focused on maximising performance in these key regions. 5.1.2.The recent launch of new brand scholarships (Erdem, Jay Osgerby, Vogue Thailand and the 90th anniversary scholarship) and their associated campaigns were generating interest although aside from these strategic campaigns more emphasis was being placed on mentorships. 5.1.3.Integrated Mentorships linked to scholarships with Lauren, Erdem and Neil Barrett were generating important new leads and applications across all regions. The main focus continued Osgerby had been particularly successful. New opportunities were also being explored with Boston Consulting Group and i-D and the Face. 5.1.4.The successful validation of two new programmes Luxury Hospitality (commencing in February 2026) would support subsequent recruitment and the Certificate in Research

<p>ACTION</p>	<p>Methods, primarily aimed at upskilling tutors, but which offered a very competitive fee structure for external applicants.</p> <p>5.1.5.Space: work was commencing on the Design Lab re layout to accommodate new machinery and make better use of the space while management continue to monitor long term occupancy and usage trends. The five-year space forecast also anticipates the need for an additional 250 sqm in the design and workshop area by 2027/2028.</p> <p>5.1.6.Academic and student experience: The recent NSS results had been particularly pleasing showing an overall 3.58 increase in satisfaction with above sector average in various areas. An Action Plan was under development with areas for improvement including learning resources and personal development opportunities. The internal validation of the MA Hospitality and Service Design and the MA Digital Art Direction had completed.</p> <p>5.1.7.HR: turnover continued to remain stable with the total staffing establishment standing at 65 recruitment The new Remote Working Policy had successfully launched in June and a Staff Townhall focusing on the Strategy, key achievements and forthcoming strategic projects and priorities.</p> <p>5.1.8. Financial statements: no major issues or concerns had been identified from the 2024/2025 financial year and remained on schedule with the external audit being completed by 31 July. In the meantime, the Board's recommended 2025/2026 Budget had been approved by GGE.</p>
<p>ACTION</p>	<p>6. Risk Management and Risk Register</p> <p>6.1. The Chair reported on the review of the Strategic Risk Register explaining that the new version would be brought to the next meeting. ARC was agreed on the importance of capturing relevant risks arising from the outcome of the internal audit and suggested that a workshop for managers might also be helpful. The School Director confirmed that he would be taking responsibility for supporting the process.</p>
<p>ACTION</p>	<p>7. Policy Updates</p> <p>7.1. Risk Management Policy and Risk Appetite Statement ARC considered and agreed to recommend to the Board approval of the Risk Management Policy and Risk Appetite Statement including the recommendation that the policy and associated risk appetite statement be approved every three years rather than annually. The Secretary would also update the reference in paragraph 5.5 accordingly.</p> <p>7.2. Anti Money Laundering Policy ARC approved the updated Policy which incorporated some minor changes in its referencing of the legislation, (including a short section on definitions, legislative context and a short section on roles and responsibilities). In approving the policy an in recognition of the low level of risk ARC agreed to the next scheduled review date being every three years with the proviso that this could be brought forward in response to any legislative changes.</p> <p>7.3. Anti Bribery and Gifts and Hospitality Policy Statement ARC considered and approved the Anti Bribery and Gifts and Hospitality Policy Statement which incorporated the inclusion of Bribery involving a Non-Executive Director or Independent External Member and updating changes to role titles. ARC confirmed its was content with the current practice of incorporating any instances of or allegations of bribery within the Irregularities Report.</p>
<p>ACTION</p>	<p>8. Irregularities Report</p> <p>8.1. The Committee received and noted the Irregularities Report including any fraud and bribery, any significant losses, and any whistleblowing cases there being no irregularities during the reporting period. ARC commented its nervousness around the number of nil returns and questioned if this could be indicative of not having the right mechanisms in place or there being sufficient awareness of them. It was also agreed that the report would also benefit from the inclusion of health and safety 'near misses' and management agreed to take this forward.</p>
<p>ACTION</p>	<p>9. Terms of Reference</p> <p>9.1. The Committee received and noted its Terms of Reference commenting its role in relation to Health and Safety would benefit from being more explicit within its Terms of Reference and that there may need to be some repositioning in terms of the role of Finance and Resources Committee.</p>

<p>10. Briefing note on Regulatory and Reporting Requirements 10.1. The Committee received and noted the briefing note on Regulatory and Reporting Requirements. 10.2. The Committee received and noted the OIA's Annual Statement including the School's low incidence of cases proceeding to the OIA. 10.3. The Committee received and noted the UNIAC Briefing Note on International Agents (June 2025).</p>
<p>11. Schedule of Business 11.1. ARC noted the 2025/2026 Schedule of Business.</p>
<p>12. Minutes of the meetings of the Academic Board and Quality Committee 12.1. ARC received and noted the minutes of the meetings of the Academic Board:</p> <ul style="list-style-type: none"> • minutes of the meeting of the Academic Board held on 11 June 2025. • minutes of the meeting of the Academic Board held on 4 February 2025.
<p>13. Any other business 13.1. The Secretary would forward the UNIAC's White Paper on the University of Dundee which highlighted several highlighted areas of failed governance. There being no further business the Chair closed the meeting.</p>
<p>14. Date of next meeting & 2025/2026 Schedule 20 November 2025 22 January 2026 14 May 2026 9 July 2026</p>