
Brexit in HE: Three key issues for audit committees



Background

The column inches written about Brexit, whether 'hard' or 'soft', and its potential implications for the higher education sector, may well already reach across the channel (and quite possibly back again). Indeed, a significant amount of uncertainty can be expected to continue at the very least until the end of the two-year negotiation period once Article 50 has been triggered and more likely well beyond.

So, in the face of such uncertainty and risks to movement of staff and students, and to research and exchange collaborations, how should audit committees respond and what questions should they ask of their institutions? We suggest audit committees should pay particular attention to three areas:

Regular scrutiny of risk management

Freedom of movement for staff and students and the potential impact on programs such as Horizon 2020 and Erasmus+ particularly concern HE providers. However, the longer term risks from Brexit stretch across a wider range of issues including competition law, contract relationships, data protection, environmental legislation and beyond. Given the breadth of such possible outcomes and areas that could be affected, we believe it is vital that audit committees seek ongoing assurance from their institutions on a reasonable but regular basis that that systematic Brexit risk management processes are in place across their activities.

Committees will need to be assured that their institution has a full understanding of its risk exposure; that contingency plans are being prepared and that these are likely to be effective and efficient; and that any significant residual risks have been identified. Whilst this process should not generate unnecessary bureaucracy, or duplicate existing risk-management processes, we believe it is probably beneficial for a particular focus to be given to this area.

Clear and regular communications with staff and students

We suggest that audit committees pay particular attention to ensuring that their institution has a clear, planned and proportionate approach to providing transparent and straightforward communications with staff and students about progress that may affect them. Along with regular information being provided about ongoing areas of negotiation that may affect its activities, it is particularly important that the University responds quickly with information to staff and students as details emerge. It may be beneficial for the University, if not already doing so and if relationships allow, to agree to make joint statements with the staff and students' union to provide clarity and reassurance if needed.

Scenario planning

Whilst the level of uncertainty and number of possible models for Brexit is high, a number of clear parameters (such as access to the single market and freedom of movement) are evident and we suggest these should form the basis of strategic risk-based scenario planning based on potential impacts to the institution. Whilst any such scenario development will never be perfect, the discipline of considering potential responses to different outcomes can equip the University to be better prepared for changes as they occur. Senior management teams particularly may benefit from spending dedicated time working through scenarios.



How Uniac can Help

As the implications of Brexit on Higher Education emerge we can work alongside you to design, develop and assure efficient and effective systems that help prepare your institution, to mitigate risks, and to seize new opportunities. We will work hard to understand the specific context at your institution, and to develop straightforward, pragmatic recommendations informed by best practice.



To discuss this further, please contact Chris Taylor.
Email: ctaylor@uniac.co.uk Tel: 0161 2472860

