

Board of Governors

Minutes of the meeting held on 20 June 2018

Present:

Andrew Scarborough (Chair)

Sue Dutton

Rafael Garcia-Krailing

Jeff Halliwell

Richard Horsley (from item 113.2)

Sylvia Hughes

Frank Jordan

Lee Machado

Mark Mulcahey

Nick Petford

Martin Pettifor (from item 113.10)

Nick Robertson

John Skelton

Danjie Zhong

Apologies:

David Baker, Sara Goodwin, Deborah Mattock, Nick Pitts-Tucker

In attendance:

Jane Bunce (Director of Student and Academic Services), Chris Cuddihy

(Lexington Communications for item 113), Brendan Fawcett (Head of Planning

for item 114), Emma Finlay (Governance Assistant), Mark Hall (Director of Finance), Miriam Lakin (Clerk), Edward Lord (Independent governor designate), Gemma Lovegrove (Student governor designate), Hastings McKenzie (Dean of Academic Partnerships for item 112), Terry Neville (Chief Operating Officer), Ann Shelton-Mayes (Executive Dean Student Experience)

108/18 Welcome, Apologies and Quorum

108.1 The Chair welcomed those present, and in particular welcomed Edward Lord who would be joining the Board as an independent governor from 1st August 2018, and Gemma Lovegrove who would be joining the Board as a student governor from 18th July 2018.

108.2 The Chair noted apologies and confirmed that the meeting was quorate.

108.3 As it was his final meeting, the Board thanked Danjie Zhong for his contribution as a student governor over the past two years and wished him well for the future.

109/18 Declarations of Interest

109.1 No declarations of interest were received in addition to those held on file by the Clerk's Office.

110/18 Minutes of Previous Meeting

110.1 The Board approved the minutes of the meetings held on 15 May and 23 May 2018 as true records of those meetings.

111/18 Action List and Matters Arising

111.1 The Board received Paper A, on actions arising from previous meetings. Additional comments were received on the following:

111.2 Prevent Training (Minute 91.3)

The Chair advised the Board that twelve Governors had completed the Prevent training and that the deadline for completion was the end of July.

Action: Governors

The Dean of Academic Partnerships joined the meeting.

112/18 Report from Dean of Academic Partnerships

112.1 The Board received and noted Paper B, the Operational Plan for the Academic Partnerships Office.

112.2 The Dean of Academic Partnerships gave a presentation which covered the following points:

- Changes to partnerships during 2017/18, including the successful addition of new partners, work on the development of existing and new partnerships, and the closure of some partnerships
- Risk management, and in particular the management of debt
- Results of recent internal audits of the work of the Academic Partnerships Office, and how their recommendations were being addressed. It was noted that the most recent Internal Audit Report on the overseas partnerships framework had received a judgement of substantial assurance
- How the Academic Partnerships Office and the International Office work together.

112.3 Members asked about the impact of Trans National Education (TNE) on the recruitment of international students. The Dean of Academic Partnerships advised the Board that the International Office was responsible for recruiting international students on campus. However, there was some evidence and experience that offering TNE grew international recruitment on campus.

112.4 Members asked whether the University model for TNE was broad or focused on a few countries. The Dean of Academic Partnerships advised the Board that the model was to establish a good presence where possible and compatible with other activities, and aimed to deliver a global reach.

112.5 Members noted the number of TNE students (4,500) and asked about the management challenges and sector practice in terms of student numbers. The Dean of Academic Partnerships advised the Board that TNE growth could bring complexities. He stated that the APO (Academic Partnerships Office) had paused on the number of partners and were placing more focus on the potential of volume partners, which could bring efficiencies.

112.6 Members asked about the margin from TNE income. The Dean of Academic Partnerships advised the Board that the Finance team had produced a review of Partnership Finances at the end of 2017 and would repeat this in 2018 and report again to the Board. He stated that some academic partnerships delivered higher margins than others. The Director of Finance advised the Board that the margin was circa 20%, after the removal of bad debt.

112.7 The Chair noted the level of risk involved in some partnerships, and in particular about procedures to manage financial risk, and the view of risk versus return. The Director of Finance advised the Board that there was a dedicated member of the Finance team working alongside the APO. The two departments had developed a close working relationship, which had resulted in tighter controls and helped to minimise risk. It was noted that the closure of one partnership had resulted in a larger loss than would have been desirable. The Dean of Academic Partnerships stated that the reputational risk had been managed well as the University had taken in house all of the students affected by this closure.

112.8 Members asked about the leverage of the University's status as a Changemaker Campus to develop TNE. The Dean of Academic Partnerships

advised the Board that there was interest amongst overseas partners in the University's Changemaker status. The APO were considering how to build on this, for example by introducing a summer school in the UK for TNE students. The summer school would focus on Changemaker values.

Items 112.9 and 112.10 are in the confidential section of these minutes.

112.11 The Chair thanked the Dean of Academic Partnerships for an interesting and informative presentation. Members asked how they could support the growth of TNE. The Dean of Academic Partnerships advised the Board that academic partners would embrace the involvement of governors and they would welcome visitors from the University. The Chair advised members to speak with the Clerk if they were interested in being involved.

The Dean of Academic Partnerships left the meeting. Chris Cuddihy from Lexington Communications and Holly Russell from the University's Marketing team joined the meeting.

113/18 Social Value Campaign

113.1 The Board received a presentation from Lexington Communications regarding a public affairs campaign designed to influence the terms of current debate about higher education and embed the concept of social value as a key criterion (Clerk's Note: Filed as Paper O). The presentation covered the following points:

- Summary of objectives and strategy
- How the political agenda would be influenced
- Details of a Parliamentary campaign
- Stakeholder engagement and next steps in the campaign.

Richard Horsley joined the meeting.

113.2 The Chair referred to the challenge identified in the presentation as, 'shifting the current focus away from the narrow economics of individual graduate outcomes'. He highlighted the threat of this narrow focus and took the opportunity to report on his attendance at the HEPI annual conference.

113.3 The Chair advised the Board that the Minister for Higher Education had spoken at the conference and had expressed concerns about grade inflation and university courses that did not deliver high salaries for graduates.

113.4 The Chair expressed his support for the Vice Chancellor and the campaign to recognise social value as a key outcome of higher education, regardless of salary. He noted that the University was taking a high-profile position on this issue, and that sector colleagues were supportive of the University's stance. The Chair advised the Board that the Minister for Higher Education had expressed an interest in visiting the University.

113.5 Members noted the importance of identifying simple performance indicators which could quantify the social value added by university studies. This would support the case for social value. Currently, the counter-argument to graduate salary outcomes data was more nuanced and therefore more difficult to present. The importance of strong 'sound bites' was recognised.

113.6 Members noted that it should be ensured that the language used, both internally and externally, supported the aims of the campaign, particularly by moving away from the use of 'good' to describe a job with a higher salary.

113.7 Members asked about the use of the concept of 'value added'. The Vice Chancellor advised that the Guardian University League Table included a measure of added value. However, this was a measure of degree outcomes compared to qualifications on entry, and therefore focused on the individual rather than added value for society.

113.8 The Vice Chancellor advised the Board that Universities UK and six other universities were supporting the social value campaign. He also highlighted its close links with the University's strategy.

113.9 Members provided feedback regarding the involvement of local politicians. The representative from Lexington Communications advised the Board that local knowledge and networks were important and could be utilised to influence and shape thinking.

Martin Pettifor joined the meeting.

113.10 Members highlighted the importance of the University to the local economy and suggested using this approach to leverage support from local MPs.

113.11 Members noted the UK's global reputation for its contribution to the creative arts, for example the UK film industry was an important part of the UK economy which employed many UK graduates. Members suggested that arts organisations could be approached to support the campaign by articulating the value of UK higher education to them. Members also suggested that a similar approach could be made to other employers such as the NHS.

113.12 Members noted that the stance of the Minister for Higher Education on the value of higher education courses was based on the Longitudinal Educational Outcomes (LEO) data set which measured graduate earnings based on tax records. Members asked how LEO data could be critiqued. They were advised that this was possible, especially with regards to the interpretation of the data. The Chair noted that the LEO data was not sufficient to assess the entire value and contribution of the HE sector to the UK's economy and society.

113.16 The Board gave its strong support to the campaign. Members asked how they could support it. The representative from Lexington Communications

advised Board members that their advocacy would be very useful, and that they should make full use of their networks. He agreed to circulate key talking points.

Action: Lexington Communications

Chris Cuddihy and Holly Russell left the meeting. The Head of Planning joined the meeting.

114/18 League Tables and Data Optimisation

114.1 The Board received a presentation from the Head of Planning on how university league tables were created, the measures they used and significant drivers to movement in league tables (Clerk's Note: Filed as Paper P). Whilst there were some opportunities for ensuring that the best data was returned, the key conclusion was the importance of improving the University's performance in key metrics which affected league table performance.

114.2 The Chair asked about the causes of movement in the league tables, for example the link between entry tariff and student satisfaction scores as measured by the National Student Survey. It was noted that student satisfaction could be affected by a number of factors including students living at home during study and the amount of paid work the student undertook whilst studying.

114.3 The Head of Planning explained the methodology of the Guardian League Table, and the importance of subject level improvement to affect overall standing, especially in heavily weighted subjects. He advised the Board that due to the methodology of the Guardian League Table, this was where the University had the most ability to change its position.

114.4 The Chair noted that the data from the Guardian League Table showed where there had been significant changes in subject areas, for example the significant positive change in music courses. He stated that detailed data of this kind was extremely helpful.

114.5 The Vice Chancellor set out a plan of action designed to improve performance in the Guardian League Table. He stated that this focused on the measures that the University could affect.

114.6 Members noted the importance and positive effects of good management and of ground-level interventions to ensure that poor practice, for example with regards to the return of course work, was identified and addressed quickly. The Vice Chancellor stated that it was important to ensure that these basic elements functioned effectively, providing a good student experience.

114.7 Members discussed the availability of data and asked if module leaders knew what was available and how to use it to analyse performance. The Executive Dean of Student Experience advised the Board that there was a linked person in the Business Intelligence and Management Unit (BIMI) for each faculty and a RAG rated data dashboard. However, it was accepted that it could be difficult to identify and develop the staff who were best placed to make use of the data. Members noted that whilst there was sufficient data, staff may struggle to interpret it. Staff needed to understand what the data meant for them and how it related to their teaching practices.

114.8 The Head of Planning advised the Board that subject level Teaching Excellence Framework (TEF) data would shortly be published. This should not be conflated with subject-level league table data. TEF was a relative benchmark based on what the University was expected to achieve, whereas league tables were based on absolute values.

114.9 Members thanked the Head of Planning for his presentation and for the analysis and explanation he had given, as it was important for governors to understand the data. The Clerk agreed to circulate the presentation.

Action: Clerk

The Head of Planning left the meeting.

115/18 Operational Plan

115.1 The Chair advised the Board that Paper C, the Operational Plan, had been moved to the Board agenda for July 2018.

116/18 HE Senior Staff Remuneration Code

116.1 The Board received and noted Paper D, the HE Senior Staff Remuneration Code. It was noted that accounts direction from the Office for Students (OfS) had been published since Paper D had been distributed to the Board.

116.2 The Board agreed to adopt the HE Senior Staff Remuneration Code, and the revised version of the HE Code of Governance.

116.3 The Board asked the Remuneration Committee to carry out a review of the University's compliance with the HE Senior Staff Remuneration Code, and authorised the Remuneration Committee to agree on its behalf actions that would be taken to ensure compliance with the Code.

Action: Clerk/Remuneration Committee

116.4 The Board authorised the Remuneration Committee to agree on its behalf how compliance would be achieved with those elements of the OfS Accounts Direction which related to senior staff pay.

Action: Clerk/Remuneration Committee

116.5 As an initial move towards full compliance, the Board agreed that the Vice Chancellor would be removed from the membership of the Remuneration Committee with immediate effect. The Vice Chancellor would instead be in attendance except for matters concerning his own remuneration and terms and conditions.

Action: Clerk

117/18 Development of the Board

117.1 The Board received and noted Paper E, a proposal on how to take forward the development of the Board in order to embed some of the recommendations of the recent Board Effectiveness Review.

117.2 The Deputy Chair advised the Board that the Board Effectiveness Review recommended that the Board formulated a statement of aims, and three to five objectives for the coming year. Views on these would be discussed at a workshop to take place on 6 July 2018 at 10am. She asked members who were unable to attend the workshop to forward their views to the Clerk and Deputy Chair Designate.

118/18 Report from Court Meeting

118.1 The Deputy Chair Designate advised the Board about a meeting of the Court which had taken place on 6 June 2018. The meeting was well attended. Presentations from the Deputy Chair Designate and the Director of Student and Academic Services on Waterside had been very well received. Court members were interested in the development and wished to contribute to its success. The Deputy Chair Designate suggested a possible role for Court members as ambassadors for the University and also as contributors to the social value campaign.

118.2 It was also reported that the Court members had recognised the contribution of the outgoing Chair of the Board and thanked him.

119/18 Report from Vice Chancellor and Chief Operating Officer

119.1 The Board received and noted Paper F, a report from the Vice Chancellor and Chief Operating Officer.

119.2 The Vice Chancellor advised the Board that the University had secured funding from Santander for research into BME attainment. He provided the

Board with an update regarding the development of apprenticeships in health and policing.

120/18 Recommendations for Honorary Awards

120.1 The Board received and noted Paper G, recommendations for Honorary Awards.

120.2 Members asked what actions were taken to ensure that a diverse field of candidates was considered for honorary awards. The Vice Chancellor advised that there was an open nomination process. It was suggested that the Honorary Awards Committee considered what proactive action it could take to encourage the nomination of candidates from a wide variety of backgrounds which would be reflective of the student body.

120.3 The Board approved the recommendations for Honorary Awards as set out in the paper.

121/18 Management Accounts

121.1 The Board received and noted Paper H, Management Accounts for the period ending 31 May 2018.

121.2 Members asked about cash flow predictions for September 2018. The Director of Finance advised the Board that the cash flow situation had improved.

121.3 The Director of Finance advised the Board that contracts for the sale of the Park Campus were being drafted. He stated that there was an option make the Park Campus land being sold subject to VAT which could then be claimed back. The Director of Finance stated that this was entirely legitimate and recommended that the Board approved this course of action. The Board duly agreed that the Park Campus land which was being sold would be subject to VAT, and authorised the Vice Chancellor to sign a contract of sale on its behalf.

122/18 Office for Students Terms and Conditions of Funding

122.1 The Board received and noted Paper I, which set out the Terms and Conditions of Funding provided by the Office for Students.

123/18 External Membership of the Audit Committee

123.1 The Board received and noted Paper J, a recommendation to approve Dayo Adedapo as an external member of the Audit Committee. The candidate's CV was tabled, noted and withdrawn.

123.2 The Board approved the appointment of Dayo Adedapo external member of the Audit Committee for a first term of office from 1 August 2018 to 31 July 2021.

124/18 Review of Code of Conduct

124.1 The Board received Paper K, a revised Code of Conduct for Governors, External Committee Members, University Officers and Senior Post Holders.

124.2 The Board approved the revised Code of Conduct.

125/18 Policy on Declarations of Interest

125.1 The Board received Paper L, a new policy on Declarations of Interest.

125.2 The Board approved the Declarations of Interest Policy.

126/18 Societal Travel CIC

126.1 The Board received and noted Paper M, a proposal that the University offered to buy shares in Societal Travel CIC which currently belonged to Northamptonshire County Council (NCC), and appointed a further director of the Company.

126.4 It was reported that there may need to be further consideration of whether Societal Travel CIC continued to be viable as a wholly-owned subsidiary

of the University. It was noted that there may be opportunities to generate income through the Company. The Chief Operating Officer reported that the University Management Team were reviewing the University's activities in travel and transport in the round.

126.5 Members asked if there was any additional liability from taking on the NCC shares in Societal Travel CIC. It was reported that the shares would cost £50. The Company was funded by a grant from the Department for Transport. The Chief Operating Officer reported that the Department for Transport were content with the way the funds had been dispersed to date.

126.3 The Board approved the following recommendations:

The purchase by the University of the 50% of shares in Societal Travel CIC which currently belonged to Northamptonshire County Council, in principle and subject to NCC's agreement to sell

The appointment of Liam Fassam as a director of Societal Travel CIC.

127/18 Ratification of Signatures under Seal

The Board received Paper N and ratified the signature of documents under seal as set out in the paper.

128/18 Any Other Business

128.1 Audit Committee

The Chair of the Audit Committee reported that the Committee had met the previous week and recommended that the Chair of the Board of Governors signed a letter of engagement with EY for external audit services. He advised the Board that the fees for the 2017/18 audit were higher by £8k than the previous year. The Director of Finance and the Chair of the Audit Committee confirmed their agreement with the increase. The Board approved the increase in fees and authorised the Chair to sign the engagement letter on its behalf.

128.2 New Risk Model

The Vice Chancellor advised the Board that the Senior Management Team had been working on a model which gave a more dynamic presentation of risks and their potential impact on the University. He suggested that a session could be run to present the model to a small group of governors. Governors who were interested in the session should make themselves known to the Clerk.

Action: Clerk

128.3 Internal Audit Report on IT Security

The Chair of the Audit Committee advised the Board that the Audit Committee had received an internal audit report on the IT security framework. An overall opinion of partial assurance had been given. He advised the Board that this was not unexpected given what was already known, and that the Committee had received assurance about the plans in place to address IT security issues. He advised the Board that the issue was being treated seriously by the Executive and the University were on track to meet the targets set for IT security by the end of 2018. The Vice Chancellor added that the Senior Management Team had agreed to seek to achieve the relevant international standard in IT security, ISO27001.

128.4 Management of Research Excellence Framework Data

The Chair reported that a concern had been raised at working level about an IT system to manage data for the forthcoming Research Excellence Framework (REF) exercise. The Director of Finance gave assurance that this had been raised and addressed at management level.

128.5 Board Ashoka Sponsor

The Deputy Chair reported that she had previously taken the role of Ashoka sponsor at Board level. However, as she was becoming Chair of the Board, she

would step down from the Ashoka role. She advised the Board that Jeff Halliwell had agreed to take on the role of Ashoka sponsor at Board level.

128.6 Student Mental Health

The Vice Chancellor advised the Board that he had invited James Murray to speak at the July Board meeting. Mr Murray had many interesting ideas on the improvement of mental health support in universities.

128.7 Health and Wellbeing Board

The Chair advised the Board that the Vice Chancellor had been appointed as Chair of the county-wide Health and Wellbeing Board. The Board congratulated the Vice Chancellor on the appointment.

129/18 Confirmation of Availability of Papers

129.1 The following papers were confirmed as confidential to the meeting:

- Confidential section of the minutes of the meeting held on 23 May 2018
- Paper B – Academic Partnerships
- Paper E – Development of the Board
- Paper G – Recommendations for Honorary Awards
- Paper M – Societal Travel CIC

130/18 Dates of Forthcoming Meetings

130.1 Board Development Workshop, 6th July 2018

- Project Assurance Committee, 10th July 2018
- Remuneration Committee, 18th July 2018
- Board of Governors, 18th July 2018
- Tour of the Competency Test Centre, 18th July 2018
- Board of Governors Summer Dinner, 18th July 2018