

**Board of Governors**  
**Minutes of the Meeting held on 21 June 2017**

**Present:**

Andrew Scarborough (Chair)  
David Baker  
Liam Bligh  
Sue Dutton  
Richard Horsley (from item 114.6)  
Sylvia Hughes  
Frank Jordan  
Lee Machado  
Mark Mulcahey  
Nick Petford  
Martin Pettifor  
Nick Robertson  
Danjie Zhong

**Apologies:**

Sara Goodwin, Jeff Halliwell, , Nick Pitts-Tucker, John Skelton

**In attendance:**

Emma Finlay (Administrator, Clerk's Office), Rafael Garcia-Krailing (incoming President of the Students' Union), Mark Hall (Director of Finance), Miriam Lakin

(Clerk), Deborah Mattock (Director of HR, Marketing and International Relations), Terry Neville (Chief Operating Officer)

### **110/17 Welcome, Apologies and Quorum**

110.1 The Chair welcomed those present, noted apologies, and confirmed that the meeting would become quorate once a further member arrived.

### **111/17 Declarations of Interest**

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

### **112/17 Minutes of Previous Meeting**

112.1 The Board approved the minutes of the meeting held on 21 May 2017 as a true record.

### **113/17 Matters Arising**

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

#### **113.2 Processes for Grievance Hearings (Minute 16/138.3)**

An updated policy and process would be presented to the July meeting of the Board for approval.

### **114/17 League Tables**

114.1 It was explained that the presentation was given in the context of the University's loss of position in the recently published *Guardian* and *Complete University Guide* league tables.

114.2 The Board noted the different data and methodology used to compile the league tables. The Board were reminded that the league tables and their methodologies were unofficial and were developed by a number of

organisations using data that was publicly available through returns from universities to HEFCE and HESA. There was often a lag in the data used.

114.3 The Board noted a graph which plotted average league table ranking against average undergraduate applications over the past five years. It was suggested that this showed that the link between league table position and applications was not as strong as might be expected. The Vice Chancellor reported that the long-term national trend was a decline in student applications. He emphasised the importance of converting applications into firm offers. Currently, the University converted around one in every five applications, and the challenge was to move this to one in four.

114.4 Members asked about the experience of competitor institutions and which factors contributed to successful student recruitment. It was reported that the National Student Survey (NSS) had a great influence on league table position, and that other institutions had been more proactive in responding to poor NSS results through management action. It was further noted that the importance of the NSS score should be emphasised as it was given more weighting in the league tables.

114.5 The Board noted and supported a number of actions for the University which were designed to improve the league table position, and therefore the student experience.

114.6 The Board noted that staff would have access to an analytical tool that would enable them to see the influence of small positive or negative movements in one metric on the overall league table position. This would be used to develop plans for positive change at subject level. Whilst it was accepted that responding to metrics was not the only way to drive success, the ability to analyse in detail would help subject areas to see the effects of good practice, and give insight into where their effort should be focussed. It was confirmed that good practice from successful courses was shared.

114.7 The impact of the staff-student ratio was noted, as this would have an effect on other areas. It was noted that in reality, many of the different metrics were likely to affect each other.

114.8 Members noted the importance to students and applicants of the University's record in employability, and that this was not necessarily accurately reflected in the league tables. It was reported that the metric on graduate prospects had improved by 6%, which was likely to have a positive effect on the University's standing in the forthcoming *Times* league table.

114.9 It was generally agreed that the league tables as they stood did provide a thorough analysis of the University's strengths, particularly in widening participation and employability. The importance of league tables should not be over-emphasised, and league table position should not become an end in itself. However, it was recognised that the league tables gave the University valuable information, and that the current position should be improved to ensure that the experience for students was as good as possible.

114.10 Members agreed that the previous high league table position was not currently sustainable for the University given where its strengths lay. It was suggested that around 70<sup>th</sup> position should be achievable.

114.11 Members asked whether the current lower position in the league tables would affect the University's ability to recruit good academic staff. It was reported that no impact on the ability to recruit had yet been noted. In general, with the exception of certain areas in which pay could not compete with the private sector, the University had no issue in filling its vacancies.

114.12 The Board discussed the academic portfolio, and the Vice Chancellor confirmed plans to review this with a view to bringing about overall improvement. It was noted that were the results of such a review to change the educational character of the University, then this would require the approval of the Board. Where courses were profitable and recruited well, but under-performed on other metrics, the goal should be to improve them if possible.

114.13 The value of the move to Waterside in increasing student applications and in improving student satisfaction with both the facilities and learning and teaching was noted. It would be important to capitalise on the very significant advantages to be gained from the move.

114.14 The Vice Chancellor reported that the Teaching Excellence Framework (TEF) was the first official government ranking of universities for their teaching expertise. Three rankings were possible, gold, silver and bronze. The results of the TEF were strictly embargoed until 12.01am on 22/06/2017. The University had received a gold ranking. The Board congratulated the University on this very significant achievement. The Board thanked the Executive Dean of Student Experience and all of the management team who had contributed to this very great success.

### **115/17 Budget for 2017-18**

115.1 The Board received Paper B, the proposed budget for 2017-18. The Director of Finance reported on the main risk, which was home student recruitment.

115.2 The budget had been prepared based on 330 fewer undergraduate students than in 2016-17. Should recruitment be lower than 330 fewer, the Director of Finance stated that immediate mitigating action would be necessary. Contingency funding could be used, and a staff recruitment freeze and cuts to non-pay budgets could be considered. The shortfall in student numbers could therefore be mitigated for one year, allowing time to adjust the cost base for future years. He reported that lower student recruitment presented no threat to covenants with HM Treasury in 2018-19. Should lower recruitment continue in 2019-20, the situation would become more serious.

115.3 Sensitivity to IT costs was noted. There was ongoing negotiation with XMA which had won the contract for the provision of IT about the most appropriate way to structure the cost of the contract. A number of options were available.

115.4 It was confirmed that the assumption was that the move to Waterside would cause student numbers to recover. Members suggested that it would give additional comfort to consider a scenario in which recruitment did not improve. The Director of Finance confirmed that it would still be possible to service the debt, but that cuts would be necessary, and agreed to present a scenario in due course.

**Action: Director of Finance**

115.5 It was reported that whilst the budget reflected a drop in Home undergraduate student recruitment, it also reflected an inflationary rise in student fees and increased overseas recruitment. It was confirmed that the decreasing value of the pound assisted in overseas recruitment.

115.6 Members asked how the Board could support management actions to balance the budget should student numbers not be as expected. It was reported that a plan would be made in response to the outcome of clearing and would be brought to the Board for endorsement.

115.7 It was noted that action to balance the budget should be aligned where possible to the portfolio review in order to avoid two separate rationalisation exercises. It was noted that reducing courses or subject areas was a longer term action, as existing students would need to finish the course, meaning that closures could take at least three years. It was reported that the introduction of a centralised workload management system would ensure that there was good comparative data to inform any rationalisation exercise.

115.8 Members asked about the possibility of expanding the Foundation Degree as it had recruited successfully. It was reported that it was becoming more difficult to recruit to the Foundation Degree as those students were increasingly finding places on degree courses elsewhere in the sector. The course would be monitored closely over the next two years.

115.9 Members asked about the possibility of increasing income through research and enterprise, and whether investing additional resource in these areas would increase income. It was reported that good support was in place for those writing and submitting bids.

115.10 Members asked if the assumption on general cost inflation was overly optimistic. The Director of Finance stated that all non-pay budgets had been assessed carefully, and that procurement had been changed to achieve better value for money.

115.11 Members asked about the anticipated savings of the move to Waterside. It was reported that the footprint of the buildings would be less by 20,000 square metres, leading to reductions in heating and lighting costs. The assumptions about cost savings had been tested thoroughly by HM Treasury.

115.12 Members thanked the Director of Finance for a clear report, and approved the budget as set out in the paper.

## **116/17 Management Accounts**

116.1 The Board received Paper C, the management accounts at 31 May 2017. The Director of Finance reported that there were no particular issues to note.

116.2 Members asked about the performance of commercial services as this was less than forecast. It was reported that there were a number of contributory factors such as a 10% student discount in the campus restaurants, a low occupancy in some of the innovation centres, and the impact of the location of Navitas on the business model of the Sunley Management Centre. Each of these

had been mitigated or had produced positive impacts in other areas. A more prudent budget would be set for the coming year.

### **117/17 Student Recruitment Update**

117.1 The Board received and noted Paper D, an update on the latest student recruitment position for 2017. The report also included a summary of responses to the survey of those who accept and decline the University's offer of a place. It was reported that it was ensured that the reasons for acceptance inform marketing campaigns in order to appeal to other applicants. It was reported that the clearing campaign would open on 1<sup>st</sup> July, and further details of this were given in the paper. It was reported that social media was one of the most effective means of marketing generally, and would be where the bulk of the clearing campaign focused. Members thanked the Director of Human Resources, Marketing and International Relations for the report.

117.2 Members asked about recruitment targets during clearing. It was reported that in 2016, 480 students were recruited in clearing. The target for the current year was around 980. There were 15% fewer students in clearing in the current year, and a competitive market. However, the University ran a very efficient and capable operation which had recruited 800 students in a previous year. Governors were encouraged to visit the clearing operation if possible as this gave support and encouragement to the staff involved.

### **118/17 Project Assurance Committee**

118.1 The Board received Paper E, the minutes of the meeting of the Project Assurance Committee held on 13 June 2017.

118.2 The Chair of PAC reported that the meeting had focused on the non-building aspects of the project. Good progress had been noted in blended learning, in the development of the services in the Learning Commons building, and in designing the Working Environment. A detailed response to staff



concerns would be released alongside plans for the working environment during the summer. On the IT transformation, a good relationship with XMA was being developed. These aspects of the project were therefore commendably on track.

118.3 The Chair of PAC reported that the building project continued on schedule on the site, and there had been no material change to the offsite developments.

Items 118.4 and 118.5 are in the confidential section of these minutes.

118.6 Assurance was given that there had been a complete review of security and the protection of the buildings from attack. Extra investment had been put into security. A meeting would be held with the local Police to discuss security arrangements overall.

118.7 Assurance was given that every contract and specification was being assessed in order to verify that it did not contain the type of cladding which had recently contributed to a fatal fire in London.

118.8 Members asked how security was being addressed on the current campuses. It was reported that as part of the development of a Business Continuity Plan, an expert visited the site and made several suggestions for improvement, all of which had been carried out.

### **119/17 Report from Vice Chancellor and Chief Operating Officer**

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

119.2 In addition to the report, the Vice Chancellor reported that the longitudinal educational outcomes (LEO) data had recently been received. This tracked the salaries earned by graduates five years after graduation. The Vice Chancellor agreed to bring an analysis to the next Board meeting.

**Action: Vice Chancellor**

119.3 It was reported that the UK Visas and Immigration Service had recently carried out a routine inspection of the University's systems for receiving international students and staff. The early indication was that the inspectors were satisfied.

David Baker left the meeting, and it became inquorate.

### **120/17 Policies**

120.1 The Board received Paper G comprising:

- Updated Disciplinary Policy and Procedure
- Updated Whistleblowing Policy and Procedure
- New Anti-Money Laundering Policy and Procedure.

120.2 Subject to its inquoracy, the Board approved the policies as set out in Paper G.

Clerk's Note: This decision was ratified by electronic means on 26/06/2017.

### **121/17 Any Other Business**

#### **121.1 Leadership Foundation Governor Development Programme**

Details of the Governor Development Programme organised by the LFHE during 2017/18 were distributed. Members who wished to attend an event were asked to inform the Clerk's Office.

### **122/17 Confirmation of Availability of Papers**

The following papers were confirmed as confidential to the meeting:

Confidential section of the minutes of the meeting held on 21 May 2017

Paper D – UCAS Applications and Decisions

Paper E – Minutes of the Meeting of the Project Assurance Committee held on 13 June 2017

**123/17 Date of Next Meeting**

Monday 17 July at 2pm in the Senate Board Room, Senate Building.