THE UNIVERSITY OF **NORTHAMPTON**

Board of Governors

Minutes of the Meeting held on 25 January 2017

Present:

Andrew Scarborough (Chair)

David Baker

Liam Bligh

Sue Dutton

Jeff Halliwell

Richard Horsley

Frank Jordan

Lee Machado

Mark Mulcahey

Nick Petford

Martin Pettifor

Nick Pitts-Tucker

John Skelton

Apologies:

Sara Goodwin, Sylvia Hughes, Nick Robertson, Danjie Zhong

In attendance:

Jane Bunce (Director of Student and Academic Services), Simon Denny (Executive Dean of Research, Impact and Enterprise) for item 10, Mark Hall (Director of Finance), Miriam Lakin (Clerk), Deborah Mattock (Director of HR, Marketing and International Relations), Terry Neville (Chief Operating Officer), Rob Palfreman

(Head of IT Services) for items 11 and 12, Damian Pickard (Deputy Director of Finance) for items 11 to 18, Ann Shelton Mayes (Executive Dean of Student Experience)

06/17 Welcome, Apologies and Quorum

06.1 The Chair welcomed those present and confirmed quoracy.

07/17 Declarations of Interest

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

08/17 Minutes of Previous Meetings

08.1 The Board approved the minutes of the meetings held on 14 December 2016 and 12 January 2017 as true records of those meetings.

09/17 Matters Arising

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

09.2 **Court**

A provisional date for the next Court event had been set.

09.3 **Possible TEF Outcomes**

Data on the financial impact of possible TEF outcomes would be presented at the next meeting.

09.4 **University Technical Colleges**

Whilst the Daventry UTC was to close in July 2017, the relationship with Silverstone UTC was ongoing and there were developments which would require consideration by the Board at a future meeting.

Action: Vice-Chancellor/Clerk

Minute 09.5 is contained in the confidential section of these minutes.

09.6 **University Income Derived from Innovation, Enterprise and Education with Others**

Governors requested figures on what percentage of income the University expected to derive from these activities, and some benchmarking against similar institutions. It was reported that this would be linked to the budget setting process, which would begin next month.

Action: Director of Finance

10/17 Transforming Transport and Travel in Northamptonshire: The SOCIETAL Travel Social Enterprise

10.1 The Board received Paper B, a proposal that the University became a founding partner of SOCIETAL Travel Community Interest Company (CIC).

10.2 The Executive Dean of Research, Impact and Enterprise reported on the background to the proposal, which was a government-funded Total Transport project, the vision for the new company, the implications of founding the company for the University's resources and staff and for Uno Buses (Northampton), the risks of involvement and the proposed next steps.

10.3 Members asked about consideration of new technology in designing an integrated transport solution for the County. It was reported that consideration was being given to a range of different technologies and methods of transportation. Members also asked about the growth of "transport on demand" providers and whether this technology had been factored in. It was reported that the transport on demand model was a potential part of the bigger solution which the project would aim to create. It was noted that there were discussions taking place with a number of providers of innovative solutions in different locations in order to share their practice. It was also confirmed that contracts awarded to providers would be expected to include Wi-Fi services

which were now seen as a necessity. The role of technology in providing information to transport users and keeping them informed about their journey was also noted.

10.4 It was suggested that it would be important to ensure that the user voice was well represented, and an offer was received to put the project leads in touch with Transport Focus, an independent transport user watchdog.

10.5 It was confirmed that the proposal was that the CIC would be a joint venture with Northamptonshire County Council, and that the University would own 50% of the shares.

10.6 Members asked about the involvement of organisations belonging to the NHS. It was reported that there had been discussions, and that there was scope for involving further organisations beyond those listed in the paper.

10.7 It was suggested that in time consideration was given to how the CIC could become part of consideration of the 'smart city' concept which widened beyond transport to consider how inhabitants lived and worked more broadly. It was noted that there was potential for an integrated transport solution to begin making a difference in other aspects of life, for example by linking park-and-ride facilities with internet shopping collection.

10.8 It was noted that in the paper, after two years of running, the contribution from Uno Buses (Northampton) stopped. It was reported that the further integration of bus routes should make such subsidy unnecessary.

10.9 It was noted that in the case of other subsidiaries and joint ventures, the University was asked to provide letters of support. It was agreed that in the case of SOCIETAL CIC, the University would not provide letters of support. It was expected that such a request would not come forward as it would be unnecessary.

10.10 Members asked about opportunities in the CIC for current students and for graduates. It was reported that as the CIC would link to the University's

strategic aims, it also linked well to many of the academic programmes, for example technology, logistics and health.

10.11 On the operation of the CIC, it was reported that it would be expected to have contracts with other organisations to pay for the necessary operations such as HR and payroll. This would ensure that the University was not indirectly subsidising the CIC.

10.12 Members noted that the issues around safeguarding of children and vulnerable adults should be taken into account in the delivery of an integrated transport solution.

10.13 Members asked about the proposed governance model of the CIC. It was reported that there had been discussion about appointing an independent Chair of the CIC in order to avoid deadlocks created by the 50/50 ownership model. It was also noted that the governance model of the CIC should ensure that distance was maintained between the CIC and its providers such as Uno Buses (Northampton). It should be ensured that there could be no suggestion that the University had become involved in the CIC in order to provide additional work to Uno Buses (Northampton).

10.14 With respect to the impact on Uno Buses (Northampton) which the University subsidised, it was noted that any work taken on by Uno Buses under the CIC should make a profit. This would ensure that the University's subsidy to Uno was only for the benefit of University students.

10.15 It was noted that the proposal was still subject to agreement by the County Council, which was due to discuss it shortly. Pending this approval, the details contained in Paper B remained confidential. A further report would be provided to the Board when the County Council had taken its decision.

Action: Executive Dean, RIE

10.16 Noting the alignment of the proposal with the University's strategic plan and Changemaker Challenges, the Board gave its full support to the

recommendation that the University became a founding partner of SOCIETAL Travel CIC.

11/17 IT for Waterside

11.1 The Board received Paper C, a proposal for a strategic technology partner for IT for Waterside.

11.2 The Board noted details of the thorough and rigorous procurement process which had been undertaken in order to recommend a preferred partner, and congratulated those involved.

11.3 The Head of IT Services and the Board member who had been involved in the procurement process discussed the reasons for recommending that partner.

11.4 The Chair of the Project Assurance Committee reported on the discussion of the preferred partner which had taken place in that Committee.

11.5 It was reported that the current proposal was estimated to be £3m over the budget for IT for Waterside which was contained in the overall Waterside project budget. It was reported that there would be negotiation with the supplier, and that the estimate had been risk averse on some items such as the dollar exchange rate. It was therefore reported that there was confidence that the proposed cost could be reduced to within the existing budget. Members supported this but also noted that as Waterside was predicated on being a technology enabled campus, it was of great importance that there was no compromise on the quality of the IT service which was provided.

11.6 Members asked about the capacity and capability of the preferred supplier, and the importance that such a contract would have to them. It was confirmed that the supplier had confirmed their ability to deliver to the University's timescales, and had been able to identify named individuals and their availability. It was reported that due to the type and size of the contract, the supplier viewed the project as a pathfinder case study for their work in HE.

11.7 It was reported that the detailed work on the contract terms and conditions would be undertaken following the award of preferred supplier status. The University's legal advisors would be fully involved in this.

11.8 The importance of managing the relationship with the appointed supplier in a strategic way was noted. This would ensure that the relationship was based on partnership and that the full benefits of it could be delivered. Members asked about the internal skill sets available to support the partnership. It was reported that there had been some reorganisation of IT Services, and that this was ongoing, as reported in Paper D.

11.9 The Board agreed that the Project Assurance Committee (PAC) would be the centre for the governance of IT for Waterside. PAC were asked in particular to give further attention to:

- the budget and the balance between value engineering and delivering quality
- relationship management to ensure an ongoing partnership relationship
- improvement in internal skill sets
- monitoring the progress of contract negotiations.

11.10   The Board approved the appointment of XMA as IT for Waterside strategic technology partner.

12/17 IT Services Update – Service Delivery Improvements

12.1 The Board received Paper D, an update on progress on the delivery of IT services. It was noted that an initial report had been presented to the Board in April 2015. Following this, an improvement plan had been put in place, and those improvements had been achieved. A follow up audit report as presented in Paper D had identified further areas for improvement, and a further plan was therefore in place. In particular the creation of an IT Steering Group with representation from across the University to ensure a broader organisational

effort, and the restructure of parts of IT Services to ensure appropriate support were noted.

12.2 Members asked how service user satisfaction was monitored. It was reported that all IT incidents were recorded and analysed, and that the National Student Survey gave a measure of overall satisfaction. However, at present there was no system to measure the satisfaction of IT users. Members noted some concerns about the quality of the end user experience. It was reported that in order to address this a services catalogue and Service Level Agreement had been created and was being reviewed by the Deans and Directors. This would help to set expectations in order to ensure that they could be met. The importance of ensuring student input and a mechanism for students to feed back to the University and have their issues addressed before completing the NSS was noted. It was noted that the Students' Union now had greater engagement with IT Services, and that the impact of this was beginning to be seen.

12.3 The current situation with regards to student records management was noted. It was reported that work with the current supplier continued although the timescale for the completion of this had increased.

12.4 It was confirmed that data was owned by the individual departments and faculties, rather than centrally, and that this was understood by all concerned.

12.5 The Board noted the considerable progress made by IT Services since the previous report, and thanked the Head of IT Services and his team for their work.

The Head of IT Services left the meeting.

12.6 The Board noted that the Head of IT Services had no direct deputy and that this presented a key person risk.

13/17 Related Company Governance Framework

13.1 The Board received and approved Paper E, a governance framework for the University's related companies. It was noted that the framework had been prepared following an internal audit of the University's subsidiary companies.

14/17 Waterside Update

14.1 The Board received and noted Paper F, the minutes of the PAC meeting held on 17 January and an update on the Waterside development.

Items 14.2 – 14.4 are contained in the confidential section of these minutes.

15/17 University Pension Schemes and Ongoing Liabilities

15.1 The Board received and noted Paper G, a summary of the University's pension schemes and the liabilities associated with these. It was stated that the report was provided for information and at the request of the Treasury Committee.

15.2 It was noted that the Board had received a presentation at the recent Away Day on the University of East London's approach to pensions. It was noted that such a scheme would reduce overall pension costs, but may also negatively affect cash flow in the short term. Given the covenant with the Treasury, it was important not to create any cash flow risks in the coming three years. The Chair of the Treasury Committee reported that the Committee would look annually at the question of pensions and liabilities, but recommended that at present there was no need for action, and that the Board should review further in two to three years when a new valuation of the schemes was available. The Board agreed this approach.

16/17 Management Accounts

16.1 The Board received and noted Paper H, the management accounts at 31 December 2016.

16.2 Members asked about the HEFCE claw back indicated in the accounts. It was reported that this was due to an understatement of the student retention rate. A calculation of the final liability was being undertaken by HEFCE, and the £700k indicated in the accounts was therefore an estimate.

17/17 Debt Write Off

17.1 The Board received Paper I, a recommendation to write off a debt pertaining to the University Institute of Public Safety, Crime and Justice.

17.2 The Board noted the background to the recommendation and the reasons it had been made. Assurance was given that appropriate procedures were in place to minimise the risk of such situations. However, it was noted that there was a reliance on members of staff working with the Finance Team to ensure that there was appropriate management of contracts and funding. Staff who did not follow this process could be subject to disciplinary procedures.

17.3 The Board agreed to write off a debt of £129,457.

18/17 2015/16 TRAC Compliance

18.1 The Board received Paper J which set out the University's approach to the 2015/16 TRAC (Transparent Approach to Costing) exercise.

18.2 The Board confirmed compliance with TRAC requirements for the 2015/16 return.

19/17 Student Applications

19.1 The Board received Paper K, an updated on applications through UCAS and from international students to study on campus. The Director of HR, Marketing and International Relations reported on activity to convert applications into firm acceptances of a place. She agreed to confirm the historic conversion rate for

international students. It was also confirmed that staff involved in talking to applicants at forthcoming discovery days had been fully briefed to emphasise the advantages of the Waterside campus.

Action: Director of HR, Marketing and International Relations

19.2 The Board noted a decrease in the number of applications compared to the same time last year, and that this indicated pressure on the overall market. Longer term trends in relation to applications to education courses were noted. It was reported that it was early in the application cycle and that a better picture would be available by April or May.

19.3 The Board discussed the University's response should there be a decline in student numbers. It was noted that it was important that contingency plans were shared with the Board to ensure confidence in the arrangements. It was reported that appropriate budget scenarios were being prepared and would be shared with the Board.

20/17 Report from Vice Chancellor and Chief Operating Officer

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

20.2 In addition, it was confirmed that recent government comment on vocational qualifications had been noted and continued to be monitored.

21/17 Modern Slavery

21.1 The Board received Paper M, a draft statement and policy and procedure on modern slavery. It was reported that these were designed to ensure that the University was compliant with legislation, and had been through an appropriate consultation process with staff.

21.2 The Board approved the statement, policy and procedure on modern slavery.

22/17 Redundancy Policy and Procedure

22.1 The Board received Paper N, a draft revised policy and procedure on redundancy. It was reported that as the policy and procedure had recently been employed during a restructuring exercise, it had been considered timely to review its operation and make certain revisions. It was reported that an appropriate consultation on the changes had taken place.

22.2 The Board approved the policy and procedure on redundancy and congratulated the University on a policy which was clear and easy to follow.

22.3 The Board agreed that in future, it would be useful to receive detail of which updates had been made to a policy.

23/17 Appointment of Committee Chairs

23.1 The Board approved changes to the terms of reference of its committees as set out in Paper O.

23.2 It was noted that in addition to being ineligible to Chair PAC or the Treasury Committee, the Chair of the Audit Committee was also ineligible for membership of these committees. It was agreed that the terms of reference of both committees would be updated to reflect this.

Action: Clerk

24/17 Re-Appointment of Pro- Chancellor

24.1 The Board received Paper P. The Board approved the re-appointment of David Laing as Pro-Chancellor for a further term of office from 28/02/2017 to 28/02/2020.

25/17 Treasury Committee Minutes 7 December 2016

25.1 The Board received and noted the minutes of the Treasury Committee meeting held on 7 December 2016 (Paper Q).

26/17 Updates to Bye-Laws and Scheme of Delegation

26.1 The Board approved updates to the bye-laws and scheme of delegation as set out in Paper R.

27/17 Any Other Business

27.1 **259 Boughton Green Road**

It was reported that the Chair had confirmed on behalf of the Board of Governors an extension to the Vice Chancellor's Service Occupancy Agreement of 259 Boughton Green Road. The extension ran until 31 August 2018. The Board ratified this.

27.2 **Visit to Iraq**

The Vice Chancellor reported on a recent successful visit to Iraq. The Board recorded its strong support for the University's involvement in education in Iraq.

27.3 **Annual Provider Review and Academic Governance**

It was reported that following discussion at the recent Board away day, a paper would be brought to the next meeting on the Board's approach to the Annual Provider Review. As part of this there would be a suggestion that a short life working group was created to consider academic governance and quality and the Board's approach to assurance in this area. Four governors, David Baker, Sue Dutton, Jeff Halliwell and Lee Machado had agreed to take part. The Board approved this approach.

28/17 Confirmation of Availability of Papers

The following papers were confirmed as confidential to the meeting:

Paper B – Transforming Transport and Travel in Northamptonshire

Paper C – IT for Waterside

Paper D – IT Services Update

Paper F – Waterside Update

Paper G – University Pension Scheme and Ongoing Liabilities

Paper K – Student Applications

Paper Q – Treasury Committee Minutes 7 December 2016

29/17 Date of Next Meeting

Wednesday 22 February at 10.30 in the Senate Board Room, Senate Building.

Followed by lunch at the Sunley Conference Centre.