

Board of Governors

Minutes of the meeting held on 15 December 2021

Present

Mark Mulcahey (Chair), Dayo Adedapo, Damilola Akhigbe, Lucie Armstrong-Kurn, Sue Dutton, Beth Garrett, Matthew Hanmer, Richard Horsley (from item 184.8), Nick Petford, Martin Pettifor (from item 185.5), Ivna Reic, Jon Scott, John Skelton (from item 187.1), Paul Wood

Apologies

Shiv Kaushike, Rayna Miller, Nick Pitts-Tucker

In Attendance

Emma Finlay (Governance Assistant), Mark Hall (Executive Director of Finance), Miriam Lakin (Clerk to the Board), Hastings McKenzie (Dean of Academic Partnerships) for items 187 and 188, Terry Neville (Chief Operating Officer), Shân Wareing (Deputy Vice Chancellor)

180/21 Welcome, Apologies and Quorum

180.1 The Chair welcomed those present, noted apologies and confirmed that the meeting was quorate.

181/21 Declarations of Interest

181.1 There were no declarations of interest in addition to those already held on record by the Clerk.

182/21 Minutes of the Previous Meeting

182.1 The Board approved the minutes and confidential minutes of the meeting held on 17 November 2021 as a true record of that meeting.

183/21 Action List and Matters Arising

183.1 The Board received and noted Paper A on actions arising from previous meetings.

183.2 In respect of action 21/32.9 which related to further consideration of how to incorporate IT security reporting into the Board's agenda, the Clerk reported that the Audit Committee had received a report on IT security.

184/21 HM Treasury Forecast

184.1 The Board received and discussed Paper B, a financial forecast to be submitted to HM Treasury.

184.2 The Executive Director of Finance (EDF) advised the Board that there were a number of factors that made it harder to predict student recruitment, and therefore income, for example:

- Volatility in the Home/EU and international student market
- The deadline for UCAS applications had been pushed back
- Patterns of student applications were changing.

184.3 The EDF confirmed that he recommended scenario 2 in Paper B. He reported that scenario 2 showed modest growth in Home/EU full-time undergraduate recruitment and was therefore aligned with student recruitment plans as previously discussed at the Board. The EDF stated that the University would need to act quickly if there was a downturn in student numbers due to the volatility of the market. He noted that the University had built up a significant cash reserve over the last two years and during the pandemic had demonstrated the ability to control cost quickly. He confirmed that the

financial forecast would be revised further prior to its submission to HMT in order to reflect the latest available information.

184.4 A member asked about the level of confidence in forecasting international student numbers, and whether increased staffing would be needed for the increased numbers. The EDF confirmed that he had reviewed the forecast with the International Office, which remained confident about the outlook. The EDF confirmed that there was discussion about the staffing structure to ensure that there were sufficient staff in the right areas.

184.5 A member asked about the impact of a drop in international recruitment and how quickly the University would need to respond should this happen. The EDF confirmed that international recruitment could be tracked over the three entry points during the academic year and the International Office would also provide market intelligence to inform actions.

184.6 A member asked whether scenario 2 would provide additional funding for student recruitment. The EDF confirmed that the costs of the project to increase Home full-time undergraduates were relatively small.

184.7 A member asked whether there was an option to use some of the additional income from international recruitment to support on-campus student recruitment. The EDF stated that the current growth in international recruitment would balance rather than exceed the budget, however, there could be consideration of directing further income to support student recruitment. The DVC noted that there were some areas in which spend could be increased to support student recruitment.

Richard Horsley joined the meeting.

184.8 The EDF agreed to forward the final version of the forecast to Board members before it was submitted on 14 January 2022.

Action: Executive Director of Finance

184.9 The Board approved the HMT six-monthly forecast (scenario 2) subject to any changes to forecast current year income between the time of the meeting and 14 January 2022.

185/21 Bond Covenants

185.1 The Board received and discussed Paper C which updated on the outcome of recent discussions with HM Treasury about the bond covenants.

Minutes 185.2 to 185.4 are in the confidential section of these minutes.

185.5 It was noted that the Infrastructure and Projects Authority in HMT was due to be replaced by the UK Infrastructure Bank as the main liaison point for the bond. Representatives from both institutions were due to visit the Waterside campus on 20 January 2022.

Minute 185.6 is in the confidential section of these minutes.

Martin Pettifor joined the meeting.

Minute 185.7 is in the confidential section of these minutes.

John Skelton joined the meeting.

Minutes 185.8 to 185.9 are in the confidential section of these minutes.

186/21 Process for Approval of Annual Report and Accounts

186.1 The Executive Director of Finance reported that there had been a delay to the expected completion of the external audit. This meant that an additional

Audit Committee meeting would be held in January 2022 to consider the audit report and the University's Annual Report and Accounts and make a recommendation to the Board.

186.2 The Board agreed that it would review the audit report and Annual Accounts by electronic means once these became available. It was noted that the Board Portal provided members with the opportunity to ask questions and make comments.

The Executive Director of Finance left the meeting. The Dean of Academic Partnerships joined the meeting.

187/21 Update on Partnerships

187.1 The Vice Chancellor provided an overview of the performance of academic partnerships over the last 5 years. He highlighted growth and noted that income from partnerships had exceed the target in the operational plan by £6.3m. He discussed the internal rate of return for different partnerships as a useful comparison tool, and noted the strategic importance of academic partnerships for the future.

187.2 The Board received and discussed Paper D, an overview of academic partnerships and the work of the Academic Partnerships Office, including the type and location of partners, risk management and future plans.

187.3 A member asked about progress on strengthening the processes for assessing the viability and risks of partnerships, with reference to updating the Partnership Handbook. The Dean of Academic Partnerships (DAP) reported that the Academic Partnerships Office carried out regular detailed review of all partnerships. This included analysing the risks and discussing closure with faculties as necessary. He noted that there were a number of partnerships current in teach out. The DAP acknowledged the work of the

DVC on the Partnerships Handbook. He confirmed that the work was ongoing to ensure that the process for partnerships was more transparent.

187.4 A member noted the need for more control over partnerships and suggested the introduction of a dashboard with a set of objective measures to manage the portfolio of partnerships. A dashboard would provide the Board and the Audit Committee with assurance about partnerships. The DAP supported this proposal. It was suggested that a dashboard should consider benefits beyond the financial. The DAP acknowledged that there were a range of reasons for partnering with different institutions, including their educational outcomes and community benefit. The DAP agreed to work on the development of a dashboard/balanced scorecard.

Action: Dean of Academic Partnerships

187.5 A member asked about the strategy for validation versus franchise arrangements, noting that the risk profiles of each were different. The DAP confirmed that the preference was to use the franchise model because it offered increased control over the relationship and a better fit with systems and regulations.

187.6 A member asked about dual awards. The DAP confirmed that this meant an award from both the University and the partner institution. Currently only one award ran in this way. The DAP stated that this challenged administrative systems and, whilst it was popular, the model would not be used more widely until it had been perfected.

187.7 A member noted a reference in Paper D to taking a hands-off approach to certain partnerships and asked how the risks arising from this would be managed. The DAP stated that the reference was to handover of certain processing responsibilities to the partner. The University would retain

decision-making and the ability to audit. It was noted that this approach would help the University to reduce its administrative input, but retained the option to re-introduce oversight if the partner failed to administer the process correctly. The DAP confirmed that the University would not withdraw the oversight of quality and standards of partnership work.

187.8 The Chair suggested a further paper on how the University could organise around the delivery of partnerships, and whether this was a corporate structure and stated that the Board would welcome the opportunity to discuss this in the next year.

188/21 UON Online Joint Venture Proposal

188.1 The Board received and discussed Paper E, a proposal for the University to form a Joint Venture company as a vehicle for the delivery of distance learning awards.

188.2 The Dean of Academic Partnerships (DAP) provided an overview of the proposal, and the work carried out to date.

188.3 It was explained that under the Financial Regulations, the Board should approve joint ventures. The executive had already considered the proposal and recommended it to the Board.

Minutes 188.4 to 188.9 are in the confidential section of these minutes.

188.10 A member asked to see the business case in order to understand the proposal better and how the risks and rewards were balanced.

Minutes 188.11 to 188.17 are in the confidential section of these minutes.

188.18 The Chair asked about the timescale for approving the JV. The DAP agreed to take further advice on the questions that had been raised by the Board. The Chair asked the DAP to provide further information at the February Board meeting when a final decision about the JV would be made.

Action: Dean of Academic Partnerships

The Dean of Academic Partnerships left the meeting.

189/21 Risk Register and Report from the Audit Committee

189.1 The Board received and noted Paper F, the current version of the University Risk Register and a short summary of the key risks facing the University.

189.2 On behalf of the Chair of the Audit Committee, the following was reported.

189.3 The Audit Committee had received an update on IT security and the information had been robust. However, close attention was needed to IT security and recruitment. A Chief Information Officer had been recruited, and regular updates to the Board should be expected.

189.4 Succession planning risks should be part of Board discussions. This was in respect of the Board and also the senior staff.

190/21 Students' Union Governance Review and Approval of Articles of Association

190.1 The Board received Paper G, the result of a review of governance in the Students' Union. The paper proposed that the SU was incorporated as a registered charity, and set out revised articles of association for the approval of the Board.

190.2 The Board agreed to defer a decision on Paper G pending resolution of a query on the articles of association.

191/21 Sharing Board Papers with UMT

191.1 The Board received and approved Paper H, a recommendation that Board papers were shared with the University Management Team.

192/21 Replacement of UNEL Directors

192.1 The Board received and approved Paper I, a recommendation on changing the directors of the University of Northampton Enterprises Ltd (UNEL).

193/21 Update from the Search and Transition Committee

193.1 The Chair reported that the advert for the VC role had closed, with 29 applications received. A longlist meeting was scheduled for 17 December. The shortlist meeting would take place during January 2022 and the final selection process was scheduled for early February 2022. The Chair encouraged members to contact him if they would like to be involved in the selection process.

194/21 Management Accounts

194.1 The Board received and noted Paper J, the Management Accounts for the period ending 30 November 2021.

195/21 Prevent Duty

195.1 The Board received and noted Paper K, the University's Prevent Duty Annual Report 2020/21.

196/21 Any Other Business

Industrial Action

196.1 The VC reported that industrial action by UCU had taken from 1 to 3 December 2021. He stated that he shared the concern of the UCU about staff workloads and that work would be undertaken on how to mitigate this.

CIO Appointment

196.2 The COO reported that a Chief Information Officer had been appointed and would start in March 2022. He confirmed that an interim Head of IT had been appointed and that consultancy firm Cyber Clan were covering some areas of IT security, with further consultants working on IT back up.

Partner Visits

196.3 The Chair reported on his recent visits to UONL (University of Northampton London (UONL) and Liverpool Media Academy (LMA). He reported that these had been very positive experiences and encouraged members to visit.

Resignation of Rayna Miller

196.4 The Chair reported that Rayna Miller had tendered her resignation from the Board of Governors as of 31/12/2021, due to work commitments. The Board thanked Rayna Miller for her contribution and hard work on behalf of the Board and the University.

President of the Students' Union

196.5 It was reported that Nikhil Paul was no longer a sabbatical officer of the Students' Union, and therefore no longer a member of the Board of Governors. The Clerk confirmed that under the Instrument of Government, the Board could have two representatives from amongst the elected sabbatical officers. The Board agreed to ask the sabbatical officers to nominate a further representative to join the Board.

Action: Clerk

197/21 Board Review

197.1 The Chair thanked members for their input to the external review of governance which had been carried out by the Good Governance Institute. A report was expected during January, and the Chair proposed an online

meeting of the governors to share their preliminary thoughts about the report. A section of the Board meeting in February 2022 would then be allocated to working on the results of the review. The Chair noted that the Board had changed over the past few years. It was therefore critical for members to engage in thinking about how the Board was organised and structured to engage its members and be most effective.

197.2 In respect of structure, the Chair noted that the Changemaker commitments may be under-represented at the Board, and asked for volunteers to review how representation could be improved, for example through a committee or champion.

198/21 Availability of Papers

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

Confidential Section of the minutes of the meeting on 17 November 2021

Paper B – HMT Forecast

Paper C – Bond Covenants

Paper D – Update on Partnerships

Paper E – UON Online Joint Venture Proposal

Paper F – Board Level Risks

Paper G - SU Governance Review and Articles of Association

Paper I – Replacement of UNEL Directors

Paper K – Prevent Duty Compliance

199/21 Dates of Forthcoming Meetings

Risk Workshop, 23 February 10am – 1.00pm

Board of Governors, 23 February 2.00pm - 5.00pm

A handwritten signature in black ink, appearing to read 'Mol M...' with a large, stylized flourish at the end.

Approved by Chair

23/02/2022

Date