

Board of Governors

Minutes of the meeting held on 18 May 2022

Present

Mark Mulcahey (Chair), Dayo Adedapo, Damilola Akhigbe from item 51.2, Sue Dutton, Zoe Boyer, Beth Garrett, Matthew Hanmer, Shiv Kaushike from item 53.3, Nick Petford, Martin Pettifor, Nick Pitts-Tucker, Ivna Reic, Jon Scott to item 57.8, Paul Wood

Apologies

Lucie Armstrong-Kurn, John Skelton, Richard Horsley

In Attendance

Emma Finlay (Governance Assistant), Mark Hall (Executive Director of Finance) for item 54 to 56, Wray Irwin (Director of Enterprise and Employability) for item 53, Miriam Lakin (Clerk to the Board), Terry Neville (Chief Operating Officer), Deborah Mattock (Executive Director of HR, Marketing and International Relations) for item 57, Cathy Smith (Dean of Research, Impact and Innovation) for item 52, Shân Wareing (Deputy Vice Chancellor)

47/22 Welcome, Apologies and Quorum

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

48/22 Declarations of Interest

- 48.1 The Chair reported that he had been appointed by Chesterfield Borough Council to work with the University of Derby creating a shared ambition for their activity in Chesterfield. The Board agreed that this did not create a conflict of interest in respect of the Chair's role on the University's Board.
- 48.2 There were no other declarations of interest in addition to those held on record.

49/22 Minutes of the Previous Meeting

- 49.1 The Board approved the minutes and confidential minutes of the meeting held on 23 March 2022 as a true record of that meeting.

50/22 Action list and matters arising

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

51/22 Waterside Campus – Lessons Learnt

- 51.1 The Board received and discussed Paper B, an overview report of the lessons learnt from the planning, construction and occupation of the Waterside Campus.
- 51.2 The COO introduced the paper and reported the following:
- The removal of a sports centre from the original plan had kept the project within budget, however, a permanent sports facility would be an enhancement to the campus

Damilola Akhigbe joined the meeting.

- Changes to the composition of the student body with the move to the Waterside campus had not been anticipated. There were implications from this for the provision of catering and student support
- Staff training on the new classroom technology should have been organised differently as there were now variations in capability
- The original vision of having a single campus had not yet been achieved.

51.3 The Chair asked the VC to share his reflections on the initial idea to build a new campus. The VC outlined factors in the external environment which had supported the opportunity. These included the creation of the South-East Midland Local Enterprise Partnership, the creation of an enterprise zone in the area, low interest rates and a supportive Board chair. The VC noted that there had been initial opposition to the project from some areas, and receiving HMT financial backing had enabled progress.

51.4 The Chair noted that Martin Pettifor had been Chair of the Project Assurance Committee (PAC) which had overseen the project at Board level. The Chair asked Martin Pettifor to share his reflections. He reported that:

- At the core of the Waterside project was a move to a new way of teaching and learning, active blended learning (ABL). ABL had supported teaching and learning during the pandemic. To fully leverage ABL, the University needed to address the IT capability gaps amongst academic staff
- The business case for Waterside had been built around the cost savings of consolidating on a single site and reducing costs. It could be queried whether the goal of a self-sustaining campus had yet been achieved

- The aim was that the new campus would be more attractive to students and would improve the conversion rate of applicants. The former Chair of PAC asked whether this could be verified by the data.

51.5 The former Chair of PAC also reported on the learnings for Board organisation:

- PAC had met monthly and reported to the Board the week after its meetings. The immediacy of the information had been helpful
- The Chair of PAC had given comments to the Board on the progress of the project. In this type of reporting, care should be taken that the Board did not place too much reliance on a person who did not have the necessary expertise. Where governors are in interpretative roles, their expertise should be understood, and the relevant members of the executive should be called upon to correct them as necessary, without allowing the Board to abdicate its accountability
- The approach of PAC was to help the executive team progress the project. It was important that the Committee was not just bureaucracy for the executive, but helped them to move the project forward
- The former Chair of PAC commented on the amount of Board time spent on the project. He stated that this was a transformational initiative which went beyond new buildings to transform the entire business model. It had significant financial impact. Therefore, the Board could have spent more time on challenging and understanding, especially on whether the pedagogical aspects of the project were transforming the University's offer.

The former Chair of PAC congratulated the executive team on an outstanding project.

51.6 A member congratulated all involved on the creation of the new campus which had created a competitive offer to students. The member stated that the model for the utilisation of the asset was based on student numbers. Whilst student numbers were robust, they may not be sufficient in themselves to repay the borrowing. There needed to be more consideration of the best utilisation of the asset. Members noted that this may not only be student use, and there may be civic and business applications.

The Dean of Research, Impact and Innovation joined the meeting

52/22 Research Excellence Framework

52.1 The Board received and discussed Paper C, an initial report on the results of the Research Excellence Framework and their implications.

52.2 The Dean of Research, Impact and Innovation (DRII) introduced the paper. She reported that the initial results had been received. Qualitative feedback on the institutional environment and the Units of Assessment would be received in June 2022 and would provide context to the overall grading. The DRII reported that the overall results were pleasing for the staff and a fair assessment of the University's position. They showed that the quality agenda was progressing. They showed the position of the University relative to the sector, and what it needed to do to progress.

52.3 The DRII noted some highlights for example the increase in 4* and 3* outputs which were linked to QR funding, and the fact that more Units of Assessment and staff had been submitted. The results showed that the University was in a relatively stable position, although the sector had progressed more quickly. The DRII noted that the REF was one part of the research agenda at the University. There had been a radical change to

systems to support longer-term development. Preparation for REF 2028 had already begun.

- 52.4 A member asked about a reference in the paper to the research environment as a key area for investment. The member asked if the REF grading in this area was less transparent because the outcomes were more difficult to assess. The DRII confirmed that this was the case.
- 52.5 The DRII reported that the REF 2021 had had a strong focus on EDI. The University should consider applications for the Race Equality Charter and the Athena Swan Charter. These also supported the rest of the University's mission and would facilitate other funding applications. There also needed to be a focus on recording activity that would contribute to the REF. Actions such as this would enable the building of a consistent profile before REF 2028.
- 52.6 The Chair asked the DRII to produce a report of what needed to be achieved over the next REF cycle, to RAG-rate the activities and to report to the Board at regular intervals. The DRII confirmed that there was an annual report on the research plan.

Action: Dean of Research, Impact and Innovation

- 52.7 A member stated that the sector had accelerated, and the University needed to decide where investment would have the greatest impact. There may be an impact on QR funding. Therefore, the University should focus on getting the environment right and focus on key areas, such as PhD students.
- 52.8 A member asked if the number of academic staff with PhD qualifications was still an appropriate KPI. The DRII confirmed that this KPI had been part of the Institutional Environment Statement for the REF. Through it, the University was able to show growth. The University recruited many staff from vocational

backgrounds and gave them the opportunity to develop through PhD studies. This had made a significant contribution to the Institutional Environment Statement. It was noted that staff with doctoral level studies were also an important part of teaching and learning.

- 52.9 It was suggested that the DRII should have greater autonomy over the deployment of the QR funding as this approach would allow funding to be focused on producing impacts.

The Dean of Research, Impact and Innovation left the meeting. The Director of Enterprise and Employability joined the meeting.

53/22 Social Impact

- 53.1 The Board received and discussed Paper D, a report on the University's position in the THE Impact Ranking 2022.

- 53.2 The Director of Enterprise and Employability (DEE) introduced the paper. He noted that the ranking was becoming more competitive and there were areas where the University could develop in order to ensure competitive performance in future. These were:

- Alignment of strategic decision making with the United Nations Sustainable Development Goals
- Leveraging the impact of research.

Shivani Kaushike joined the meeting.

- 53.3 The Chair noted that strategic decision making often focused on finance, and there should be a greater emphasis on social impact. The DEE also noted that linking projects to the social agenda would create links with the external environment and offer the opportunity to partner with other organisations which had a similar agenda.

53.4 The Chair acknowledged the work of the team on THE Impact submission and congratulated them on an excellent result.

The Director of Enterprise and Employability left the meeting the Executive Director of Finance joined the meeting.

54/22 Budget Setting 2022/23

54.1 The Executive Director of Finance (EDF) gave a verbal update on the budget setting exercise for 2022/23.

54.2 He confirmed that student recruitment was currently positive. Home full-time undergraduate enrolments had increased compared to 2021/22. International student recruitment had also increased, and this was likely to continue into the next year.

54.3 The EDF reported that the growth in student numbers created issues with capacity and staffing. There was consideration of how to generate additional space at Waterside.

54.4 The EDF reported that inflationary pressures were affecting estates, IT and marketing. In respect of budget setting, he confirmed that the base budget was already balanced. The executive team were reviewing where additional funds might be allocated.

54.5 A member asked about the likelihood of international student recruitment continuing at the current level, and plans to manage the increase in student numbers. The EDF stated that the increase in international students was likely to be for the medium-term. The EDF noted that there was residential capacity at Boughton Green Road.

54.6 A member asked for a report which would show the shift in the composition of the student body over time. There should also be consideration of

whether the changes were long-term, as this would affect thinking about the strategy and have an impact on the business model. A member stated that the University needed to be agile to adjust to the changes in the market and ensure that the business model was sustainable.

Action: Executive Director of Finance

- 54.7 A member noted that if the change in the composition of the student body was permanent, there should be further work on the University's organisational partnerships and knowledge exchange activities to be able to support students into employment.
- 54.8 The EDF confirmed that the University Management Team would review the budget on 20 May 2022 with the new VC in attendance as an observer. The draft budget would then be presented at the June Board meeting for approval.
- 54.9 The Chair asked about the allocation and control of QR funding. The EDF confirmed that currently the funding was allocated to the subject areas which had secured it. The DVC noted that if the DRII had control of the QR funding she could invest in the areas that required improvement and focus on the long-term success of the REF. The EDF confirmed that the DRII could submit proposals for allocation in the budget.

55/22 HMT Covenants

- 55.1 The Board received and discussed Paper E, a report on the bond covenants and discussions with the UK Infrastructure Bank (UKIB).

Minutes 55.2 to 55.3 are in the confidential section of these minutes.

55.4 The EDF agreed to draft a response to UKIB.

Action: EDF

55.5 A member suggested a review of the level of cash reserves. The member suggested that reserves were set at three months of turnover, there was £15m of working capital from 2025, and the aim should be a total cash reserve of £50m. The EDF confirmed that this was in line with what had been proposed during discussions with representatives from HMT.

55.6 A member noted that the transition to new leadership and new strategy would mean that much work was done internally. The member stated that the Board should ensure that it tracked developments and options. The Board should examine the effects of the covenants, and the options for responses to those effects, in particular new ways to increase income. It was noted that options for capital spending plans had been presented to the Board at the November 2021 Board meeting and these should continue to be examined.

56/22 Disposal of University Asset

Minutes 56.1 to 56.4 are in the confidential section of these minutes.

The Executive Director of Finance left the meeting. The Executive Director of HR, Marketing and International Relations joined the meeting.

57/22 Human Resources

57.1 The Board received and discussed Paper G, the HR Annual Report.

- 57.2 The Executive Director of HR, Marketing and International Relations (EDHR) introduced the paper and provided the context of the report, which included the pandemic, the cyber-attack and industrial action.
- 57.3 A member asked about staff morale. The EDHR reported that this was a mixed picture. There had been a full review of workloads. Workloads had been recognised as a challenge which had an impact on morale. Areas that required more investment in staff had been identified, for example dissertation supervision and working on partnerships. There was also a review of management focused on ensuring that managers had time to manage. The DVC reported further on this, noting that some managers were responsible for large numbers of staff. There was therefore consideration of how to ensure that management activity was shared. A member noted that the changing profile of students had created a need for additional academic and pastoral support. Whilst the role of the personal academic tutor was to support study and signpost students to specialist support, this was not always the case in practice. It was noted that there was an increasing demand for support services such as counselling across the sector.
- 57.4 A member asked about support for students from organisations within or affiliated to the University and if they could take pressure off staff. The SU Board members reported on several Students' Union initiatives. The EDHR reported that numerous organisations that support mental health had been onsite for University Mental Health Day.
- 57.5 A member asked whether a staff survey would take place. The EDHR confirmed that a Stress Prevention Survey took place in May 2022 and a Reward and Recognition Survey was scheduled for June 2022.

57.6 A member referred to the UCU Four Fights Campaign and asked whether the issues raised by staff were short-term or long-term, and about the level of confidence that they could be resolved. The EDHR reported that the workload issue was likely to be longer-term, and was under discussion with UCU representatives. Currently one hour of preparation and marking time was allocated for every hour of teaching, and UCU would like to see this figure increase. An increase to 1.5 hours would mean 100 more staff, which was not currently possible. However, the EDHR stated that it was possible to consider a different allocation of time, creating greater flexibility within the current resource limits.

57.7 Members noted that there many different options available to manage workload and staff reward in a more agile way, and consideration of staffing should be a fundamental part of the development of the University's business model.

57.8 The Chair acknowledged the contribution of the EDHR and her team. The Executive Director of HR, Marketing and International Relations and Jon Scott left the meeting.

58/22 Appointment Process for Chair of the Board

58.1 The Board received Paper I, a draft process for the appointment of the Chair of the Board.

58.2 A member proposed that the new Chair should be appointed before the final year of the Chair's term of office. Following discussion, it was agreed that the recruitment process should make clear that a plan for the recruitment of the next Chair should be in place at the time a current Chair entered their final year of office.

- 58.3 A member noted that the executive should have input into the governance process for selecting a new Chair.
- 58.4 The Board approved the general process for appointment and reappointment of the Chair as set out in Paper I, with one amendment as set out in minute 58.2.
- 58.5 The Board agreed to advertise publicly for the next Chair of the Board, and to start the process during the final year of the Chair's term of office.

59/22 Remuneration of Board members

- 59.1 The Board received and discussed Paper J, a report on the arguments for and against the remuneration of Board members. Members expressed a range of views about remuneration.
- 59.2 Members noted that:
- Remuneration could be used to encourage and recognise the additional commitment of Board members working on projects
 - Remuneration would attract a more diverse range of candidates
 - Remuneration could attract candidates with good previous experience for example chairing skills
 - There was additional work involved in chairing, for example the Chair of the Board role could involve up to two days a week.
 - There was a high level of accountability, and members needed to invest time to ensure they met the requirements of the role. Remuneration may help with this.
- 59.3 Other members noted that:
- The Board was not experiencing issues attracting candidates

- The Board would require consent from the Charity Commission to offer remuneration and would need to demonstrate that it provided a significant advantage over all other options
- There were options other than remuneration to address the workload involved in chairing, for example strengthening the Clerk's role, committee structure changes and ensuring that the workload was shared and delegated amongst Board members.
- Board members should share the ethos of the University and Board membership could be viewed as a civic duty
- The University was a charitable endeavour and taking remuneration would detract from this
- Remuneration may attract members with different motives and from less diverse backgrounds. This may limit opportunities for members from different backgrounds
- Board members were independent from the institution and taking remuneration did not fit with this
- There were practical problems. For example, it may not be possible to offer a level of remuneration competitive with the market, it would be difficult to ensure a remuneration system was fair and the time spent by members was evaluated fairly.

59.4 A member noted that the Nominations Committee had not received any volunteers for committee chairing roles. Addressing the imbalance of workloads between the committees and chairs, and greater sharing of workloads may encourage greater involvement. A further member stated that the workload should be shared more evenly between Board members,

rather than creating an expectation that chairs, and particularly the Chair of the Board, undertook most of the work.

- 59.5 A member asked if there was potential for a negative reaction from students if Board members were remunerated. It was noted that the money for remuneration would need to be taken from another budget.
- 59.6 In respect of recruitment to the Board in general, a member noted the need to ensure the recruitment of members with a skillset which the Board needed, and which those members were willing to contribute, underpinned by a sense of civic duty. It should be ensured that this was part of the recruitment process. A member also noted that whilst members could serve nine years, they sometimes had to step away sooner. Therefore, there was a need to be more agile and to ensure that members could contribute their skills quickly.

60/22 Board Draft Plan for 2022/23

- 60.1 The Board received and discussed Paper K, a draft plan for the organisation of the Board in 2022-23 including a revised committee structure and draft dates and times for meetings.
- 60.2 The Board agreed the proposals set out in the paper.
- 60.3 The Clerk agreed to provide further information about the potential remit of the Committee for the next Board meeting.

Action: Clerk

61/22 Management Accounts

- 61.1 The Board received and noted Paper L, the management accounts for the period ending 30 April 2022.

62/22 Compliance with OfS Statement of Expectations on Harassment and Sexual Misconduct

62.1 The Board received and noted Paper M, a report giving assurance about the University's approach to harassment and sexual misconduct, and about compliance with the OfS Statement of Expectations on Harassment and Sexual Misconduct.

63/22 Update from the Nominations Committee

63.1 The Board received and noted Paper N, an update from the Nominations Committee on progress with its work.

64/22 Teaching Excellence Framework Update and Response to OfS Consultation on TEF

64.1 The Board received and noted Paper O, an update on the preparation of the Teaching Excellence Framework (TEF) submission for 2022, and the University's responses to recent OfS consultations on:

- Student outcomes and experience indicators
- Student outcomes
- Teaching Excellence Framework.

65/22 Conduct of Students' Union Elections and Appointment of Student Members of the University Board

65.1 The Board received Paper P. As a source of assurance on the fair and proper conduct of the recent Students' Union elections, the Board received the returning officer's report.

65.2 The Board resolved to appoint:

- Beth Garrett, President of the Students' Union
- Zoe Boyer, Vice President Welfare of the Students' Union

as the student members of the Board of Governors for the 22-23 academic year.

66/22 Any Other Business

University Management Team Changes

66.1 It was reported that the COO would be retiring on 31 July 2022 and the Executive Director of Finance would be retiring on 31 October 2022.

66.2 It was reported that Annette Devine had been appointed as the interim Academic Registrar. The Board thanked Kathryn Kendon for her significant contribution to the University.

Northampton Music Festival 19 June

66.3 A member noted that the University was a sponsor of the Northampton Music Festival which would take place on Sunday 19 June and encouraged members to take up volunteering opportunities.

67/22 Confirmation of Availability of Papers

67.1 The following papers were confirmed as confidential to the meeting:
Confidential Section of the minutes of the meeting held on 23 March 2022

Paper B – Waterside Campus – Lessons Learnt

Paper C – Initial Report of REF 2021 Results and their Implications

Paper E – HMT Covenants

Paper F – Disposal of University Asset

Paper G – HR Annual Report

