

Board of Governors

Minutes of the meeting held on 6 October 2023

Present

Geoff Donnelly (Chair), Dayo Adedapo, Fajar Ajmal, Dinusha Boteju, Andy Burman, Sue Dutton, Roland Gray, Matthew Hanmer, Harriet Jones, Anne-Marie Kilday, Bhavya Mohan, Jon Scott, Michelle Teo, Vikramaaditya to item 108.4, from item 116.4, Suzy Wallace, Paul Wood

Apologies

Shiv Kaushike, Deborah Parker

In Attendance

Janet Baines (Director of Finance and Planning), Becky Bradshaw (Chief Operating Officer), Brendan Fawcett (Head of Planning) for item 109, Emma Finlay (Governance Assistant), Miriam Lakin (Associate Director of Governance, Compliance and Risk), Shân Wareing (Deputy Vice Chancellor)

99/23 Welcome, Apologies and Quorum

99.1 The Chair welcomed those present, noted apologies and confirmed that the meeting was quorate. In particular, the Chair welcomed Roland Gray who had joined the Board as an independent governor.

100/23 Declarations of interest

100.1 There were no declarations of interest in addition to those held on record.

101/23 Minutes of the meeting held on 19 July 2023

101.1 With changes to minutes 79.1 and 79.3 the Board approved the minutes of the meeting held on 19 July 2023 as a true record of that meeting.

102/23 Action list and matters arising from the minutes

102.1 The Board received and noted Paper A, the actions arising from previous meetings.

103/23 Review of members' interests

103.1 The Board received and noted Paper B, a review of the interests declared by Board members.

104/23 Vice Chancellor's Report

104.1 The Board received and discussed Paper C, the VC's report to the Board.

104.2 The VC introduced the paper. In addition to points in the paper, the VC reported that:

- The Royal and Derngate Theatre would not be available for the graduation ceremonies in November. The Chief Operating Officer had sourced the Saints Rugby Ground as an alternative. The event would take place in a marquee and corporate entertainment suites. Northampton Saints were an existing provider and this option was considered to have a lower risk considering the tight timeline.
- Interviews were due to take place for the following senior posts:

- Director of Marketing and Student Recruitment
- Director of Student Futures

The final bullet point in minute 104.2 was in the confidential section of these minutes.

105/23 Students' Union Report

- 105.1 The Board received and discussed Paper D, an update from the Students' Union.
- 105.2 The President of the Students' Union (SU) introduced the paper and confirmed that it was for information and had also been presented to the University Leadership Team. The paper presented data from the Student Life Pulse survey carried out in July 2023. The President of the SU summarised the findings.
- 105.4 In respect of the finding that there was increased concern about mental health and wellbeing, the Deputy Vice-Chancellor (DVC) reported that there was a 96% increase in students disclosing mental health issues prior to starting their studies. This type of increase was also being seen across the sector.
- 105.5 It was reported that the University had signed up to the University Mental Health Charter developed by Student Minds and there were a number of other initiatives resulting in an institution wide approach to embedding wellbeing.
- 105.6 A member asked whether an update from the SU would be a standing item and would be focused on the student voice. The member noted that previously the Board had discussed the financial aspects of the SU. The

Chair confirmed that it would be a standing item and would focus primarily on the student voice and student experience. The trustees of the SU monitored its finances in more detail. The Clerk reminded the Board of its responsibility under the Education Act 1994 to, 'take such steps as are reasonably practicable to secure that any students' union... is accountable for its finances'. For this reason, the financial aspects of the SU were reported to the Board. This was normally in the form of reviewing the SU's annual report and accounts.

105.7 A member asked about the lease of the SU nightclub which had been discussed by the Board in the previous academic year. The COO confirmed that a break in the lease had been activated and the SU were partnering with other venues in the town centre.

105.8 The DVC reported that both the University Leadership Team (ULT) and the Student Experience Forum had reviewed the paper. She reported on some initiatives which had been taken to assist students with the cost of living. These included:

- Cost-of-living Fair giving advice, guidance and support
- Free breakfast and £1 meal on Fridays
- Free sanitary products across campus facilities
- Increased resource for Financial Guidance Team
- Student money mentors offering peer support.

105.9 A member asked about student awareness of the trial of two people accused in the murder of a University student. It was reported that the court case had been postponed. It was confirmed that communications to students and staff would include signposting to support services.

106/23 Academic Partnerships

- 106.1 The Board received and discussed Paper E, an update on academic partnerships. This included an independent report from HCR Law.
- 106.2 The DVC introduced the paper and provided an overview of the events leading up to the identification of anomalies in assessment at an academic partner institution. She noted risks from partnerships which had been flagged at the time.
- 106.3 A member noted that the independent HCR Law report had highlighted a high risk around personnel, and this was an area where the Board needed assurance.
- 106.4 It was recommended to the Board that the personnel risk could be addressed by ensuring that the culture supported transparency and accountability including informal relationships and opportunities for discussion that allowed concerns to be raised.
- 106.5 A member noted that the Board had decision-making powers for strategic alliances and joint ventures, but not the formation of academic partnerships. The member noted that the Board were dependent on the Executive for robust controls governing partnerships.
- 106.6 A member noted that there was a question about where the Board should intervene and where it should seek to put controls. It was noted that there needed to be a balance between Executive and Board decision making. The DVC stated that a culture of transparency and accountability would reduce the need for the Board to be directly involved. The question for the Board should therefore be whether there were appropriate controls in place for partnerships.

106.7 A member asked if the University had a Whistleblowing Policy and helpline as this should be used by employees who were aware of controls not being followed. The COO agreed to review the existing whistleblowing policy and procedure.

Action: COO

106.8 A member asked whether there was anything in the independent report from HCR Law of which the Board or the Executive had been previously unaware. The DVC confirmed that there was not.

106.9 It was confirmed that the Executive had accepted all the recommendations in the independent report from HCR Law. It was reported that a paper to the Board meeting in November would set out the action plan in response to the report.

106.10 The strategy for partnerships would also be presented to the Board in November. This would include the rationale for partnerships, how progress was monitored and how success would be measured. The DVC reported that a member had asked for an assessment of risk versus benefits, to include the risk profile and income. This work was being progressed. Visibility of this information would ensure that the Board had assurance without the need to manage partnerships.

106.11 The Board agreed that it would not be necessary for representatives from HCR Law to be present at the November Board meeting given that the Executive had accepted all the recommendations and intended to present a plan to achieve them.

106.12 Noting that financial review of the partnerships was not yet complete, a member stated that unless costs were allocated accurately there could be no clear idea of the value of this activity. The VC stated that not all

partnerships were for financial gain. There could be other reasons for a partnership such as furthering research or alignment with values. The member stated that where this was the case, it should be explicitly stated in an annual report to the Board.

106.13 A member also stated that where a partnership was rated as high risk, reports should include a commentary on actions being taken.

106.14 A member noted the scale of work that been completed in reviewing partnerships but warned against over reassurance as the University was moving to a new way of operating. Checks should be in place to ensure that arrangements were working effectively and the Board still had a role to play in this. The member stated that there should be Board involvement at the point of approval of new partnerships.

106.15 The DVC noted the contents of the appendices to the paper. In particular, the development of a new Academic Partnership Committee which would be involved at the point at which due diligence on a potential academic partner began. The appendices also contained the proposed draft documents for all partnerships. The DVC reported that there would be a comparative view for each partnership on an annual basis to include value versus risk. An annual presentation to the Board was anticipated.

106.16 The member asked whether there was adequate capacity and resourcing for partnerships. The COO reported that the Global Engagement directorate had been created during the senior staff reorganisation. She confirmed that the budget for this area had been reviewed.

106.17 The VC and Chair thanked the DVC and others who had worked to address the issues.

107/23 HMT covenants

- 107.1 The Board received and discussed Paper F, a summary of the covenants in place following the borrowing of a £231.5m bond to build the Waterside Campus.
- 107.2 The Director of Finance and Planning (DFP) introduced the paper and in particular noted:
- There were two census points during the year when the Debt Service Cover Ratio (DSCR) must be met
 - There was an increase in flexibility this year due to a change in the accounting treatment of cash and cash equivalents. For the purposes of the bond, cash would only be measured as cash in bank. Therefore the University could make greater use of its cash reserves
- 107.3 The DFP reported that a 10-year forecast had been presented to UKIB. This included planned preventative maintenance and capital projects. UKIB had requested a stress test of the forecast and this was being prepared.
- 107.4 The Chair suggested a pre-Board briefing on covenants and asked members to report back on whether this would be useful.

108/23 Finance Report

- 108.1 The Board received and discussed Paper H, the finance report for period 12 in 2022/23.
- 108.2 The DFP introduced the paper and confirmed that the University had performed well operationally, taking into consideration inflation. She noted that the deficit was higher due to audit adjustments. Income was encouraging, especially from the Competency Testing Centre and earnings

from investments were higher than expected due to the increase in interest rates.

- 108.3 The Chair asked for an update on finalising the 2021-22 annual accounts. The DFP reported that it was hoped they could be finalised by 13 October, but the external auditors BDO would not provide a guarantee. She confirmed that the current waiver from HMT ran out on 31 October 2023.

Minute 108.4 was in the confidential section of these minutes.

Vikramaaditya left the meeting.

- 108.5 The DFP noted that the external audit for 2022-23 would not meet the OfS deadline due to the late start date. Therefore, the University would require a further waiver of the bond covenant from HMT.

The Head of Planning joined the meeting.

109/23 Strategic Key Performance Indicators

- 109.1 The Board received and discussed Paper G which set out performance against the key performance indicators (KPIs) in 2022/23 and proposed new KPIs for 2023/24.
- 109.2 The COO introduced the proposed KPIs for 2023-24 and confirmed that they were linked to the new strategy.
- 109.3 The COO reported that a fully integrated planning process was being launched and this would link the strategy, KPIs and the plans of each operating unit.
- 109.4 In respect of the proposed KPIs, the COO reported that it could be difficult to monitor progress during the year as some data was only available

annually. Lagging data was also an issue. The COO noted that it may take two to three years to see the progress made.

- 109.3 The Head of Planning stated that some proposed KPIs used core measures from the Teaching Excellence Framework (TEF) and Research Excellence Framework (REF) on which the University would be judged externally.
- 109.4 It was reported that the exact details of some proposed KPIs were still be confirmed. These were:
- Commercial income, as work was ongoing on an improved understanding
 - Home undergraduate intake, as the measurement date had moved and therefore a new report needed to be generated.
- 109.5 The COO asked for the Board's approval of 2023-24 KPIs, noting that they would be reviewed annually and based on performance.
- 109.6 A member noted that the student experience measure used national data and asked if there was any local data available. It was confirmed that there were other sources of data, for example the earlier paper from the Students' Union. However, National Student Survey data was the most robust dataset.
- 109.8 A member asked how the KPI on research outputs would be measured. It was confirmed that external peer review panels like the ones used in the REF exercise would be used.
- 109.9 A member asked about different measurements used in the two KPIs on accommodation occupancy and international student recruitment. The Head of Planning confirmed that accommodation occupancy was the best measure of commercial income across all student types and so a percentage measure was used. By contrast a monetary measure was used

for income from international students. There was some concern that this KPI may create an incentive to expand student numbers on courses with higher fees, which were often one-year postgraduate courses. This risk had been recognised and it was part of the objectives of the Director of Global Engagement to increase international undergraduate numbers as this produced greater consistency of income over a three-year period.

109.10 A member asked about the approach to planning. The COO confirmed that a new planning process had been launched. Draft plans from each operational unit would be completed by March 2024 and would be aligned with the strategy and financial plan.

109.11 The Board approved the 2023-24 strategic KPIs as set out in the paper.

The Head of Planning left the meeting.

110/23 Report from the Remuneration Committee

110.1 The Board received and discussed Paper I, a report from the Remuneration Committee.

110.2 The Chair reported that the Remuneration Committee had agreed to discontinue the entitlement to discretionary Performance Related Pay for senior staff.

110.3 It was reported that there had been a review of senior staff salaries to bring them into line with the mean average paid by post-92 universities in the £150m - £200m income range. Some salaries were already in line with the benchmark and others had increased.

110.4 A member asked about the financial impact of these changes. The DFP confirmed that the changes had been budgeted and noted that the costs moving forward were similar.

111/23 Reappointment of governor

- 111.1 The Board received and discussed Paper J which proposed the reappointment of Dayo Adedapo for a further three-year term of office as independent governor from 8 September 2023 to 7 September 2026.
- 111.2 The Board approved the reappointment of Dayo Adedapo.

112/23 Governor leaving the Board

- 112.1 The Chair confirmed that Damilola Akhigbe had decided to leave the Board effective as of 4 September 2023. The Board acknowledged Damilola's contribution to the Board and thanked her.

112/23 Health and Safety Executive finding

- 112.1 The Board received and noted Paper K, a report from the Health and Safety Executive in compliance with the Reporting of Injuries, Disease and Dangerous Occurrence Regulations.

113/23 Ratification of signatures under seal

- 113.1 The Board ratified the signature of a document under seal as set out in Paper L.

114/23 Reportable events

- 114.1 The Board received and noted Paper M, which set out official notifications ('reportable events') made to the Office for Students since March 2023.

115/23 Forthcoming events

- 115.1 The Board received and noted Paper N, a report on forthcoming meetings and events.

116/23 Any other business

Launch of new strategy

- 116.1 A member stated that the launch event for the new strategy had been well attended. Staff were positive about the strategy and keen to see action.

Feedback on Away day and Board meeting

- 116.2 The Chair asked Board and Executive members for feedback about the away day and the Board meeting.
- 116.3 Members stated that they had valued the away day, particularly the chance to work with others in groups, the content covered, and the context and background provided.

Vikramaaditya joined the meeting.

117/23 Availability of Papers

The following papers were confirmed as confidential to the meeting:

Paper C – VC's Report

Paper E – Academic Partnership Update

Paper F – HMT Covenants

Paper H – Finance Report

Paper I – Report from Remuneration Committee

Paper L – Ratification of Signatures Under Seal

Paper M – Reportable Events

118/23 Dates of Forthcoming Meetings

People, Culture, Quality and Standards Committee - 12 October, 3pm – 5pm, Senate 401

Infrastructure and Resources Committee – 19 October, 4pm – 6.30pm, Senate 405

Audit and Risk Committee – 23 November, 4pm – 6pm, Senate 405

A handwritten signature in black ink, appearing to read 'J. Donnelly', is positioned above the 'Approved by Chair' text.

Approved by Chair

29/11/2023

Date