

Board of Governors

Minutes of the meeting held on 24 January 2024

Present

Andy Burman (Chair), Dayo Adedapo, Fajar Ajmal, Dinusha Boteju, Sue Dutton, Roland Gray, Matthew Hanmer, Harriet Jones, Shiv Kaushike, Anne-Marie Kilday to item 21/24, Bhavya Mohan, Jon Scott, Michelle Teo, Vikramaaditya, Suzy Wallace

Apologies

Deborah Parker, Paul Wood

In Attendance

Janet Baines (Director of Finance and Planning) to item 21/24, Becky Bradshaw (Chief Operating Officer) to item 21/24, Kate Ciborowski (Mills and Reeve) for item 01/24, Emma Finlay (Governance Assistant), Matthew Haines (Director of Global Engagement) to item 09.9, Miriam Lakin (Associate Director of Governance, Compliance and Risk), Julie Martin (Interim Academic Registrar), Sarah Seed (Mills and Reeve) for item 01/24, Shân Wareing (Deputy Vice Chancellor) to item 21/24

01/24 Presentation from Mills and Reeve on financial resilience of the sector

01.1 The Board received a presentation from representatives from Mills and Reeve. The presentation covered the financial challenges facing the higher education sector and the regulatory response. It included a reminder of the

Board's responsibilities under the Office for Students' regulatory framework and as charity trustees.

02/24 Welcome, apologies and quorum

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

03/24 Chair of the Board

03.1 The Board noted that Geoff Donnelly had had to step down for personal reasons as of 31 December 2023. The Board thanked Geoff Donnelly for his significant contribution as Chair during 2023 and agreed that his input and leadership had been very valuable to the Board and the University.

03.2 The Board noted that Andy Burman had been elected as Chair of the Board as of 1 January 2024.

03.3 One member recorded his disagreement with the decision to hold an election from amongst the existing Board members.

04/24 Declarations of interest

04.1 Matthew Hanmer stated that he was acting for the University of Warwick in a West Midlands steering group to generate funding for a consortium of universities in the west midlands.

05/24 Student recruitment and impact on the University

05.1 The Board received and discussed Paper A, a report on the student recruitment as of January 2024.

05.2 The COO stated that the presentation from Mills and Reeve and Paper N gave details on the current context and environment for student recruitment. In particular, two recent government announcements had had a negative impact on applications from international students, both to the University and across the sector. The government announcements were on limitation of visas for dependents of international students, and minimum earnings for visas to stay in the UK. There had also been a decline in applications from students with 'Home' fee status.

Minutes 05.3 to 05.5 were in the confidential section of these minutes.

05.6 A member asked about plans to ensure that applicants felt welcomed by the University in order to reduce the risk of those holding offers changing their minds. The COO confirmed that the marketing team had identified this as an area for further work. The new Director of Marketing and Student Recruitment was leading a project on it. There would be a report to the Board in May from the Director of Marketing and Student Recruitment.

05.7 A member asked about the impact of increased competition from other countries for international students. The Director of Global Engagement stated that the executive were aware of and tracking changing markets, which included identifying opportunities.

05.8 A member asked if the University was making effective use of its networks, for example working with schools. The COO confirmed that the Schools Engagement Team worked closely with schools.

- 05.9 A member asked about whether there was any proactive work on political engagement. The VC stated that she would meet the Shadow Universities Minister on 25 January 2024.
- 05.10 A member noted that there had previously been a project to increase undergraduate student recruitment and asked how the learning from this could be applied. It was confirmed that lessons learnt from that project were being applied in the development of the student recruitment strategy.
- 05.11 Noting that the student recruitment market was changing rapidly, a member asked what data the Board would receive to track this, stating that regular update would help to drive the Board agenda and provide context. It was agreed that the executive would act on this and noted that a data dashboard approach was desirable.

Action: COO

- 05.12 A member asked where the biggest challenge in converting applications to firm offers was. The COO stated that there were several factors including awareness of and interest in courses and the town's desirability. However, there were opportunities to encourage conversion, for example offering direct support and incentives. The VC also noted that there were other contextual factors such as the increased cost of living and competition from other universities.

06/24 Financial Challenges 2024 and beyond

- 06.1 The Board received and discussed Paper B, a presentation on the financial challenges facing the sector and the University. This included an overview of the current context nationally and for the University, and the impacts and

implications of this for the University. A four-step approach to budget sustainability was explained.

Minute 06.2 was in the confidential section of these minutes.

06.3 It was reported that a communication would be sent to all staff on Friday 26 January 2024 about additional controls to address the in-year deficit. The controls would include:

- Restrictions on staff recruitment
- Restrictions on international travel
- Non-pay savings
- Restrictions on hospitality.

Minute 06.4 was in the confidential section of these minutes.

06.5 The COO stated that the UK Infrastructure Bank (UKIB) had been briefed about the University's financial position and planned response. UKIB representatives had been positive, they felt that the University's response was appropriate and proportionate.

06.6 A member asked whether the University was partnered with other organisations to offer work opportunities to students. It was reported that the new Student Futures directorate provided support with both careers and part-time work opportunities. This meant that work opportunities could be promoted at open days.

Minute 06.7 was in the confidential section of these minutes.

06.8 A member asked if targets could be put against the cost saving initiatives. The member commented that this would allow tracking, visibility and assurance, and suggested that it could be achieved through the management accounts. It was confirmed that a breakdown of where the cost savings were expected was available.

Action: COO/Director of Finance and Planning

06.9 A member asked what income generation opportunities were being considered. The VC stated that she was leading on this work.

Minute 06.10 was in the confidential section of these minutes.

06.11 The DVC highlighted the link between universities and regional economies. She noted that Paper N had been shared with UKIB and a version had been published alongside a call for universities to write to their local MPs to highlight the impact of government policy.

06.12 A member asked whether the cost saving initiatives outlined were sufficient, given there were unlikely to be significant positive changes to the operating environment. The COO stated that the next paper would discuss transformation of the operating model to achieve financial sustainability for the future.

06.13 The Chair encouraged Board members to consider how they could contribute, for example by using their networks, roles or contacts.

07/24 RISE Project

07.1 The Board received and discussed Paper C, a briefing on activity

planned and undertaken to safeguard the University's future financial sustainability from 2024-25 and beyond.

07.2 The COO and DVC gave a presentation on the project, which would be known as Resilience and Institutional Sustainability Exercise (RISE).

Minute 07.3 was in the confidential section of these minutes.

07.4 A member noted that the identified changes may take time to implement and asked about the capacity to address the immediate budgetary issues whilst also working on longer-term transformation. The COO confirmed that the outcome of the RISE project would be known in May 2024. It would then be necessary to take some time to plan and execute changes.

Minute 07.5 was in the confidential section of these minutes.

07.6 A member noted that there was a risk in assuming that the operating environment remained stable whilst transformation was ongoing. It was noted that this highlighted the need to move quickly.

07.7 The Chair asked where the Board and its Committees fit with the challenging timescale. It was reported that plans would be shared with the Infrastructure and Resources Committee and then the Board.

07.8 A member noted that a focus on cost savings could have an impact on the quality of the student experience and any new business model should recognise this.

Minute 07.9 was in the confidential section of these minutes.

07.10 The DVC stated that the intention was to minimise the impact on quality by identifying areas that added to the quality of the student experience. There were opportunities to identify costs and automate. However, making more major change could not be ruled out.

Minutes 07.11 to 07.12 were in the confidential section of these minutes.

07.13 A member asked what updates would be made to the Infrastructure and Resources Committee. It was reported that there needed to be further consideration of this, and possibly of the frequency of meetings. The expectation should be of regular progress updates and then the outcome of the work on the RISE project including proposed options.

07.14 A member referred to the challenges of working with external consultants and noted that the Board could help by bringing oversight. A member encouraged the executive to make use of the Board in a way that was efficient and gave help. A member suggested a separate dedicated Board meeting to discuss the RISE project further.

07.15 A member asked whether there were any areas out of scope of the RISE project. The COO confirmed that the Student Records System would be out of scope.

Minutes 07.16 to 07.21 were in the confidential section of these minutes.

08/24 Budget process for 2024-25

- 08.1 The Board received and discussed Paper D, which set out the process for setting the University's budget for 2024/25.
- 08.2 The Director of Finance and Planning introduced the paper and provided an overview of the key assumptions for the 2024/25 budget.
- 08.3 The Board approved the assumptions and budget setting process as set out in the paper.

09/24 Board oversight of partnership risk

- 09.1 The Board received and discussed Paper L, a report which outlined the criteria by which any higher risk academic partnerships would be presented to the Board of Governors for approval.
- 09.2 The Director of Global Engagement (DGE) introduced the paper and outlined the proposed approach to partnership development, approval and reporting.
- 09.3 A member asked whether Memoranda of Cooperation with academic partners were under English law. The DGE confirmed that they were.
- 09.4 A member asked whether 'know your customer' checks were carried out. The DGE confirmed that due diligence was carried out on partners and provided assurance that this process was thorough. He noted that the decision about whether a partnership was categorised as high risk was for the University Leadership Team (ULT).
- 09.5 A member asked whether there was sufficient oversight of the decision by ULT about the level of risk a partnership presented. It was confirmed that there were numerous touch points in the process and independence between parts of the process. It was also noted that full due diligence would take place and be documented before a decision was taken. A member

noted that the Board could hold ULT to account on the process. There was oversight through the reports to the Board and there was an opportunity to challenge.

- 09.6 A member suggested that due diligence should include student welfare and support checks at an early stage in the process.
- 09.7 A member asked whether there was an assessment of the source of potential partners' funds and their financial position. The DGE confirmed that the Finance team carried out these checks. In respect of an existing partnership, it was confirmed that where serious financial issues were found, this would be flagged as a high risk. High risks would be reported to the Board so that the Board could see how they were being addressed.
- 09.8 The Board agreed that it would receive a report on partnerships every six months.

Action: Director of Global Engagement

- 09.9 The Board approved the process for academic partnership approval and reporting as set out in the paper.

The Director of Global Engagement left the meeting.

10/24 UKIB forecast

- 10.1 The Board received and discussed Paper E, the financial forecast as submitted to the UK Infrastructure Bank and HM Treasury.

Minute 10.2 was in the confidential section of these minutes.

11/24 Management Accounts

11.1 The Board received and noted Paper F, the management accounts for period 5.

12/24 Report from Infrastructure and Resources Committee

12.1 The Board received and discussed Paper G, a report from the Infrastructure and Resources Committee.

12.2 The Chair of Committee introduced the paper and noted that two items discussed at the Committee had not been RAG-rated in the report to the Board as the papers had not been available. He also reported that:

- A revised Treasury Management Policy had been approved
- Plans for the Students Records System project were well developed and comprehensive
- Mitigations were in place for the critical risks to IT.

13/24 Report from Audit and Risk Committee

13.1 The Board received and discussed Paper H, the report from the Audit and Risk Committee.

13.2 The Chair of Committee introduced the paper and reported on the following:

- MHA, the new external auditors had attended the meeting
- Progress on completion of previous internal actions was poor
- Some progress on actions from the recent internal audit of data protection compliance had been reported.

13.3 A member noted that 50 outstanding internal audit actions was a high number. The COO acknowledged the issue and noted that the process to manage and review the actions had been changed and would be more

effective in future. Good progress was now being made to address the outstanding actions.

14/24 VC's Report

- 14.1 The Board received and noted Paper I, the VC's report to the Board.
- 14.2 The VC introduced the paper. The VC also provided an update on the Universities UK working group on freedom of speech of which she was a member. The group were reviewing the consultation documents recently released by the Office for Students on how the new Higher Education (Freedom of Speech) Act would be applied.

15/24 Students' Union Report

- 15.1 The Board received and noted Paper J, a report from the Students' Union which presented the most recent results of a pulse survey of student views.

16/24 Academic Registry

- 16.1 The Board received and discussed Paper K, an overview of the work of the Academic Registry, its current priorities and an update on the Students Records System project.
- 16.2 The Interim Academic Registrar (IAR) introduced the paper. She reported on the impact and benefits of the Students Records System project including improvement of the student experience, cost savings and alignment with the RISE project. The IAR advised the Board that the system would be implemented next academic year.

16.3 The Chair of the Infrastructure and Resources Committee reported that the Committee had received a longer report on the Student Records System project. This had given assurance and confidence about the project. He also noted that the accuracy of the data was critical for the RISE project. The IAR provided assurance that the current data and the required statutory returns were accurate but required a degree of manual input which was not cost effective. She noted that the new system would empower staff to use the data and improve the student experience.

17/24 Minutes and confidential minutes of the meeting held on 29 November 2023

17.1 The Board approved the minutes and the confidential minutes of the meeting held on 29 November 2023.

18/24 Action list and matters arising

18.1 The Board received and noted paper M, the actions arising from the previous meeting.

19/24 Higher Education financial turbulence

19.1 The Board received and noted Paper N, a briefing report about the financial challenges facing the HE sector.

20/24 Reportable events

20.1 The Board received and noted Paper O, a summary of the reportable events submitted to the Office for Students.

21/24 Forthcoming events

21.1 The Board received and noted Paper P, forthcoming events and meetings up to July 2023.

The Vice Chancellor, Deputy Vice Chancellor, Chief Operating Officer, Interim Academic Registrar and Director of Finance and Planning left the meeting.

22/24 VC's Remuneration

Minutes 22.1 to 22.5 are in a section of these minutes which are confidential to Board members only.

23/24 Deputy Chair and Senior Independent Member

23.1 The Chair advised the Board that an email would be circulated about forthcoming vacancies in the roles of Deputy Chair and Senior Independent Member.

24/24 Confirmation of availability of papers

The following papers were confirmed as confidential to the meeting:

Paper A – Recruitment update and impact for UON

Paper B – Financial Challenges 2024 and beyond

Paper C – RISE Project Introduction

Paper D – Budget process for 2024-25

Paper E – UKIB forecast

Paper F - Period 5 Management Accounts

Paper G - Report from Infrastructure and Resources Committee

Paper H – Report from Audit and Risk Committee

Paper I – VC’s report

Paper M, Appendix A

25/24 Dates of future meetings

Wednesday 27 March, 4-7pm T-Pod A

Wednesday 22 May, 4-7pm T-Pod A

Wednesday 17 July, 4-7pm T-Pod A

Andy Burman

Approved by Chair

27/03/2024

Date