

**Minutes of the ninth meeting of the Board of Governors
held on 23 June 2004**

Present: Sir John Carter

Peter Anwyl	Dame Barbara Mills
Graham Castle	Bob Morgan
Bill Clark	Helen Peters
John Haworth	Brian Roper
Linden Ife	Cherrill Scheer
Stephan John	Finlay Scott
James Kempton	Fred Smith
Stavroula Konidari	Michael Snyder
Frank McLoughlin	Sarah Tyacke
Jeremy Mayhew	

Clerk to the Board: John McParland

In attendance:	Bob Aylett	Rachel Thomas
	Jill Grinstead	Chris Topley
	Pam Nelson	Max Weaver
	Lyn Link	

Apologies: Judith Baines, Raj Patel, Celia Phillips and Abdul Rahim

For presentation: Professor Roderick Floud
Roger Moon

87. Presentation

The Board received a comprehensive presentation from Professor Roderick Floud, President, concerning outline proposals for a communications strategy,

external relations, including interactions with London's industry, business and community and principles for a fundraising strategy.

It was noted that the communications strategy would be submitted to the December Board for approval and consideration would be given to Governor's involvement at the implementation stage.

It was noted that approval for a fundraising consultancy would be submitted to the Finance and Human Resources Committee in July. It was also noted that this would be a time-limited assessment of the necessary organisational structure for the function to a budget to be agreed by the Vice Chancellor.

The following points were also noted:

- that the effectiveness of a fundraising strategy depended on Governors' involvement in ways to be defined.
- that in respect of the Communications Strategy the University was complying with requirements under Freedom of Information legislation

The Chair thanked the President for the useful presentation.

(Action: President/ Vice Chancellor)

88. Chair's Announcements

It was noted that this was the President of the Student Union's last meeting. The Board thanked her for her useful contribution to the work of the Board over the last two years and wished her every success in the future.

89. Minutes of the meeting held on 19 March 2003

(Agenda item BG 9/1)

The minutes of the meeting held on 24 March 2004 were confirmed as a correct record and signed by the Chair.

90. Report for the period 15.3.04 - 11.6.04 from the Chief Executive

(Agenda item BG 9/3)

The Board received and noted the report from the Vice Chancellor. The following points were also noted:

Academic quality - 4 areas (Accountancy, Law, Computing and Architecture) had received positive comments from recent external review visits. Formal

reports were awaited.

Graduate Centre – The building was being considered for a RIBA Award.

Sports – The University had now reached 21st place in the British Universities Sports (BUSA) rankings. Two years previously it had been last, 147th out of 147. It had received an Award for most improved sports University in the country and its Hockey Team captain had been voted student sportsman of the year.

91. Vice Chancellor's report (Addendum) - Contract of Employment/Natfhe Dispute

The Board received the following tabled reports:

1. Letter to Natfhe dated 21 April 2004 from the Director of Human Resources responding to the issues raised about the preferred academic contract together with details of the consultation with Natfhe.
2. Letter sent to academic staff concerning the integration of terms and conditions for academic staff and specifically the introduction of a revised contract to academic staff employed at the City Campus dated 9 July 2003 together with the following Appendices:
 1. A comparison with the UNL Local Variation Academic Contract (2002) and the National Academic Contract Example (1997).
 2. Academic Staff Contract

The Vice-Chancellor outlined the consultation process that had been followed with the recognised teaching union (Natfhe) concerning the introduction of the "preferred" academic contract. It was noted that there had been 50 meetings with Natfhe over two years on the Employment Framework including those concerned with the contract for teaching staff. The detail was set out in the tabled paper.

There had been a number of errors of fact in recent publications by Natfhe about the dispute. There had been consultation with the Union and individual consultation with staff with some volunteering to adopt the preferred contract. The Vice Chancellor expressed concern at the conduct of the dispute by Natfhe including the conduct of the ballot of University Staff which had not followed the statutory requirements, and appeared to breach the Union's own rules. In addition, the Union's direction and encouragement of external examiners to refuse to fulfil their contractual responsibilities appeared to

constitute unlawful secondary action.

The Vice Chancellor remained of the view that the substantive differences between the content of the current and preferred contracts for teaching staff at City Campus were minimal. This had been confirmed by Natfhe. An undertaking to discuss an alternative third contract had been given to Natfhe but such discussions needed to be time limited. Prior to the issue of notice of moving to the preferred contract there had been no willingness by Natfhe to have such discussions.

In addition to the offer of such discussions, Natfhe had requested that the former LGU Disputes Procedure be engaged. Under this procedure it was for a Disputes Committee including lay governors to consider the matter and beyond that reference to ACAS was possible. Finally, the Vice Chancellor had been in contact with National Natfhe officials and the TUC. The Vice Chancellor was confident that resolution could be achieved and recommended that, in accordance with Natfhe's request, the Disputes Committee be convened at Stage 2 of the Disputes Procedure.

The elected Teaching Staff Governor drew attention to her letter and that of the Natfhe Regional Official which had been sent to Board Members prior to the meeting. She guaranteed that the External Examiners were not being directed or instructed by Natfhe to take industrial action and that no member of University teaching staff had contacted External Examiners individually or collectively to request that they refuse to act in the assessment process. Any action by External Examiners was a matter of their individual choice.

The following comments were made by Governors:

- the comments and letter of the elected teaching Staff Governors were questioned as being inconsistent with the exercise of the role of Governor.
- the receipt of letters and telephone calls by Governors from Natfhe officials was inappropriate given the prospective role of Governors in the Disputes Committee.
- the Board's overriding concern was the adverse impact on students through disruption of the assessment process. It was felt that such action was inappropriate and should cease pending the operation of the Disputes Procedure. All possible efforts to prevent disruption to students should be considered.

- the previous decisions of the Board that the preferred contract be applied to City Campus teaching staff were re-affirmed.
- without the identification of an end point of 1 September created by the issue of the letter of 2 April 2004, no progress on the contractual issue would have been made and to withdraw the letter would remove any current impetus for discussion of a third contract.
- it was confirmed by the VC that there remained time to agree an alternative, third contract before 1 September.

The Board agreed that the Disputes Procedure should continue its course and that it was noted that Governors would have a role in that process. Governors stressed the need to be kept informed of developments over the summer.

(Action: Vice-Chancellor)

The Board also agreed that the Clerk respond to the letter received by all Governors from the Regional official of Natfhe.

(Action: Clerk to Board)

92. Annual Operating Plan/Performance Indicators (PIs)

(Agenda item BG 9/4)

The Board received the report on the Annual Operating Plan and PIs. It was noted that the majority were on or close to target and that Appendix 1 provided a commentary on PIs which had not met their target. It was also noted that the report had been considered by the Finance and Human Resources Committee, in particular those issues relating to improving financial solvency and staffing costs.

The following points were also noted:

- that the milestones reports were agreed with HEFCE and were a mechanism to monitor merger funding
- that it would be useful in future for Governors to concentrate on no more than 10 or 15 key strategic performance indicators

(Action: Deputy Vice-Chancellor (Planning and Resources))

Financial Reports

93. Management Information

(Agenda item BG 9/5.1)

The Board received the report from the Director of Finance on Management Information and noted the key issues.

It was also noted that April adjustments from the contingency totalled £935k and that four of these related to post-merger structure rewiring and four to cost saving initiatives and that these variances should be driven down as costs were reduced in future years.

94. Budget 2003/2004

(Agenda item BG 9/5.2)

The Board received the report on the draft Budget for 2003/2004 for the University. The following key issues were noted:

Overseas students

- that 43% of tuition fee income was from overseas students
- that significant growth in overseas student numbers had occurred and was predicted to continue increasing
- that additional capital investment would be required to meet the accommodation requirements for the growing number of overseas students
- that the University's overseas recruitment figures compared well with other institutions in the sector as set out in the presentation at the March Board meeting

It was noted that it would be useful for Governors to receive a comparison of UK student numbers separate from European Union numbers which were currently aggregated as "Home".

(Action: Deputy Vice Chancellor (Planning and Resources))

The Board noted that the budget was cautious, focusing on cost control while maintaining investment.

In the event that income targets were not met the Finance and Human Resources Committee would give early consideration to responding in a measured and realistic way. An initial report on recruitment and fee income would be provided at the October Board.

(Action: Director of Finance)

It was agreed to:

- (a) approve the proposed revenue budget for 2004/2005
- (b) approve the capital budget for 2004/2005 and note the indicative capital plan 2005/2006 – 2010/2011
- (c) approve the indicative level of commercial borrowing required over the next three years, subject to detailed proposals for each loan
- (d) approve that the Finance and Human Resources Committee be authorised to approve the financial forecast submission to HEFCE

The Board also noted the building projects under review.

95. Digital Manufacturing Centre

(Agenda item BG 9/5.2.1)

The Board received the report on the Digital Manufacturing Centre and noted the Finance and Human Resources Committee's recommendations.

The Board agreed:

1. To proceed with Project 1 as detailed in the report submitted to the Finance and Human Resources Committee, on the basis of the funding distribution:

LDA	£500k	(revised from £650k since FHR 12 May 2004)
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ERDF	£353k
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LondonMet	£185k
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TOTAL	£1038
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It was accepted that there was a risk of not winning ERDF funding for Project 1 alone. The maximum financial commitment for the University in this proposal to be £185k (with ERDF support) or £538k (without support).

2. To approve the residuum of the budget of £150k agreed in June 2003

(about £100k) which will be used to develop the QS work for Project 2, in order to prepare a more detailed specification of both the project and its associated costs; and

3. That in due course the Finance and Human Resources Committee receive for its consideration a re-specification of Project 2 based on more accurate QS work and more detailed explication of costs and commitments.

96. Arcade

(Agenda item BG 9/5.2.2)

The Board received and noted the report on the Arcade funding options and agreed:

To approve the purchase of the Arcade freehold, subject to receipt of indicative finance costs from potential lenders.

To keep the decision to sell-on under review in the light of the ongoing review of student accommodation partnerships.

It was noted that 3 potential lenders had been identified.

97. Estates Implementation Plan

(Agenda item BG 9/5.2.3)

The Board received and noted the report on the Estates Implementation Plan which the Property Sub-Committee had agreed and commended and which would focus on:

- completion of North Campus Projects
- review of City campus
- disposals and developments

The Board agreed that the proposed strategy should be adopted as the Plan for future Estates action.

It was noted that any decisions concerning individual disposals or acquisitions would be referred on an individual basis to the Board for approval.

98. Impact of the Higher Education Bill - Fees

(Agenda item BG 9/5.3)

The Board received the report on tuition fees and agreed the proposals. It was noted that the special meeting on 13 October would commence at 4.45pm and that the venue would be confirmed.

(Action: Secretary and Clerk to the Board)

99. Use of Company Seal
(Agenda item 9/6.1)

The Board received the report and noted that the company seal had been affixed to the following documents in the past year:

Calcutta House	New Lease
82 Moorgate	Lease on commercial unit
Goulston Street	Deed of Variation and Settlement
Women's Library	“ ” “
43-46 Benwell Road	Transfer to UNL Company (see item BG 9/6.2.1)
Holloway Road	Transformer Chamber Lease
41-71 Commercial Road	Contract - alterations to accommodate Frederick Parker Collection
74 Moorgate	Deed of Rectification of existing lease with tenant
Graduate Centre	Building Contract

Subsidiary and Dormant Companies

100. Subsidiary Companies
(BG 9/6.2.1)

The Board received the report on Subsidiary Companies together with the list of dormant companies acquired primarily for name protection purposes. The Board endorsed the following recommendations:

- (a) that UNL remain as a "live" company solely for the duration of the current issues in respect of Benwell Road reverting to a dormant company thereafter, retained for name protection purposes;
- (b) that MNM remain as a company for name protection purposes and to fulfill the requirements of the lease on the Shoreditch building;
- (c) that LGU Enterprises Ltd be wound up; and

- (d) that London Metropolitan Student Centre Ltd become a dormant company retained for name protection purposes only.

(Action: Clerk to the Board)

101. Membership of Companies

(BG 9/6.2.2)

The Board received the report on Membership of the Cultural Industries Development Agency (CIDA).

Governors agreed to approve the University's membership of CIDA in accordance with the Articles of Association of that company; and that the Vice-Chancellor and Chief Executive exercise the duties under the Articles of the University as a member of the company.

(Action: Secretary and Clerk to the Board)

102. Subsidiary Company in Nigeria

(BG 9/6.2.3)

The Board received the report on the establishment of a Subsidiary Company in Nigeria, which would be wholly owned by the University but registered in Nigeria.

The Board also noted the background information on the rationale for a Nigeria Office from the Student Recruitment Marketing and Communications department, together with the legal opinion from one of the University's retained legal advisers.

The Board endorsed the recommendation to establish a subsidiary company in Nigeria. It was noted that the final arrangements would be confirmed to the Finance and Human Resources Committee in July.

(Action: Secretary and Clerk to the Board)

103. Appointment of Governors

(BG 9/6.3)

The Board received the report on Appointments to Governorships.

The Board agreed to re-appoint Peter Anwyl, Graham Castle, Linden Ife, Abdul Rahim, Cherrill Scheer and James Kempton to serve as Governors for a three year term commencing on 1 October 2004.

(Action: Clerk to the Board)

104. Charge on Property

(BG 9/6.4)

The Board received the report on Charge on Property and agreed to Barclays request that when the property on the North campus at Benwell Road is transferred back to LondonMet the University agree to complete an undated, unsigned legal charge in favour of Barclays in respect of the property, to be held and executed when the property is transferred back to LondonMet.

(Action: Clerk to the Board)

105. Report from Academic Board

(BG 9/7)

The Board received and noted the report from Academic Board together with the comments from the Director of Quality and Standards.

106. Date of Next Meeting

It was noted that the next meeting would be a Special Board meeting held on 13 October at 4.45pm. The venue would be confirmed. The next scheduled meeting of the Board would be held on Wednesday 20 October 2004 at 4.45pm in the new Boardroom, Calcutta House (City Campus).

AGENDA PART TWO

107. The Board noted the unconfirmed Minutes of:

(Agenda items BG 9/8.1 – 9/8.3)

- a) Minutes of the Health and Safety Council – 4 May 2004
- b) Minutes of the Finance and Human Resources Committee – 12 May 2004
- c) Minutes of the Women's Library Council - 2 June 2004

108. To note for information

(Agenda items BG 9/9.1 – 9/9.4)

- a) Dates of Future Meetings
- b) Current Membership
- c) Outline Agenda for next meeting
It was noted that there would also be an agenda item on formal approval of fees policy.
- d) Report from the President of the Student Union.