

**Minutes of the twentieth meeting of the Board of Governors
held on 13 December 2006**

Present: Sir John Carter

Peter Anwyl	Prof Zenobia Nadirshaw
Philip Bignell	Abdul Rahim
Stephen Bromwich	Brian Roper
Graham Castle	Cherrill Scheer
Alastair Clark	Finlay Scott
John Haworth	Abu Shohid
Linden Ife	Cllr Barbara Smith
Jeremy Mayhew	Michael Snyder
Bob Morgan	Timothy Thompson
Dame Barbara Mills	Sarah Tyacke

Clerk to the Board: John McParland

In attendance: Bob Aylett Rachel Thomas
Pam Nelson Chris Topley

Apologies: John Gabriel, Raj Patel and Stephan John

260. Presentation

The Board received a comprehensive presentation from the Deputy Vice-Chancellor (Research and Development) on Student Recruitment. The following points were noted:

Overall Numbers

- that overall numbers compared to the same time last year were down

by 2.8%

Home EU/Overseas

- that Home/EU students were down by 2.7% and Overseas students were down by 3%

Full Time/Part Time

- that full-time numbers were 4.5% behind last year, but slightly ahead (0.2%) of 2004/05. Part-time time students numbers were 2% ahead of last year, but 21% behind 2004/05.

Undergraduates

- that all types of undergraduate student numbers had declined by 1.5% over two years. Home/EU full-time student numbers showed a fall of 4.3% and Overseas full-time undergraduates had fallen by 0.7% when compared to 2005/06.

Postgraduate

- that overall postgraduate taught numbers (PGT) were down 8.3% compared to the same time last year. Home/EU numbers were down by 6% and Overseas numbers were down by 16.2%.

Year of Study

- that Year 1, Home/EU recruitment levels were currently 21.7% down on last year.

Departments

- that five departments were ahead of last years numbers, three were within 5% of last year and the remainder were further behind. The worst three performing departments represented a continued shortfall of over 850 students.

All Year Targets

- that currently the University was some 7000 students (of all types) short of the all-year target for 2006/07 but was expecting to recruit a further 5000 students before July making the shortfall compared to target about 7%.

The Board noted the following actions proposed to improve recruitment:

- Mount a vigorous campaign for Semester B recruitment

- Increase number and broaden scope of Progression Agreements with FE Colleges and, through them their feeder schools
- Increase participation in Life-long Learning Networks
- Extend bursary system to EU students
- Recruit new EU Recruitment Officers
- Enhance pre-enrolment engagement with applicants
- Target year 1 retention into 2007/08 and thereafter
- Implement the review of the student recruitment area in order to focus on market segments
- Act upon reviews of all academic departments
- Adjust budgets in year to reflect recruitment

The following comments were also noted:

- that it appeared that some other Universities had lowered their entry requirements considerably increasing competition in the sector, and a small number had charged lower tuition fees
- that changes to the University's recruitment policies could help improve retention levels
- that the popularity of different subject areas was difficult to predict, for example the decline in computing.
- that there had been an increase in applications for Business/Economics in 2007
- retention levels had continued to improve, offsetting the year 1 under-recruitment
- that there was no Government planning body to regulate the number of University places offered according to subject area

It was noted that the outcome of Semester B recruitment would be known in

February. The Finance and Human Resources Committee would continue to monitor recruitment figures and the actions taken to improve the position, and if necessary consider any revisions to the Business Plan.

(Action: Vice-Chancellor/Director of Finance)

261. Minutes of the meeting held on 18 October 2006

(Agenda item BG 20/1)

The Minutes of the meeting on 18 October 2006 were confirmed as a correct record.

262. Matters Arising

(Agenda item BG 20/2)

Student Union Constitution (Minute 250)

It was noted that the University Secretary had now received a report from the President of the Student Union on the Student Union Constitution and that this was under discussion. Governors again expressed concerns that the President had not adhered to the timetable agreed by the Nominations Committee and the Board stressed the need to keep to the timescale for consideration and approval of proposals identified by the Committee.

(Action: President of the Student Union)

Employment Appeal Tribunal (Minute 250)

The Board noted the report and the views of the Academic Staff Governor about the costs of the Appeal and that he welcomed that this matter had now been brought to a close. It was also noted that the Finance and Human Resources Committee and the Board had been kept informed throughout the proceedings. The Committee had sought and followed the advice of the University's Solicitors on the best course of action to take at each stage.

263. Report for the period 13.3.06 – 2.6.06 from the Vice-Chancellor and Chief Executive

(Agenda item BG 20/3.1)

The Board received and noted the report by the Vice-Chancellor.

It was also noted that a legacy opportunity had arisen for the University from the Olympic and Paralympic Games in London in 2012.

The Board agreed in principle that the University should express a non-binding interest in becoming a legacy partner, but should be wary about spending too much management time on this matter. Governors also recognised that it was important not to miss out on any possible opportunities for the University.

Awards Ceremonies

The Board requested that the dates for the 2007 ceremonies be notified to all Governors as soon as confirmed to enable all Board members to attend. It was suggested that the purpose and function of the ceremonies in raising the profile of the University be reviewed and changes to the format considered to maximize the value of the event to both graduands and the University.

(Action: Vice-Chancellor)

264. QAA Report - Major Review of Healthcare programmes (Agenda item BG 20/3.2)

The Board received and welcomed the commendations in the QAA report on a Major Review of Healthcare programmes.

265. Collaborative Provision Audit (Agenda item BG 20/3.3.)

The Board received and welcomed the commendations in the QAA report on Collaborative provision audit.

Governors also commended the success of the opening of the new Science Centre.

Financial Reports

266. University's Final Accounts (Agenda item BG 20/4.1.)

The Board received the University's Final Accounts for 2005/06. The following points were noted:

- that figures in the accounts had been amended following adjustments resulting from the reconciliation of the University's early retirement records with those of the LPFA

- that there was a favourable variance in the cost deficit of approximately £1.5m
- that income had increased by £3.7m
- that funding Council grants had fallen in real terms by 3.7%
- that expenditure had increased by £13.8m, the main element of this being staff costs. Operating costs had also increased mainly because of restructuring costs of £3.7m arising from the voluntary severance scheme and repairs and maintenance had increased by £1.7m.
- that group net assets had increased by £6m excluding the pension deficit
- that the net book value of tangible assets had increased by £14.4m reflecting the completion of the Science Centre and other capital works
- that there had been a reduction of £14m in creditors following the early redemption of the inherited loan from the Royal Borough of Kensington and Chelsea
- that there had been a £2.1m increase in deferred income from work on externally funded projects for 2007/08
- that the University continued to out-perform against budget for the four years since merger
- that capital receipts from the disposal of student accommodation was expected to return the University's liquidity to acceptable levels
- that the impact of the new tuition fee arrangements remained uncertain
- that pension costs remained a significant risk to the University's finances
- that actions had been taken to reduce the costs of the University's subsidiary companies and performance continued to be monitored

The following comments were noted:

- the queries raised by the Teaching Staff Governor in respect of dates in

the report would be investigated and responded to outside of the meeting

(Action: Director of Finance)

- that options to reduce the pension costs to the University would continue to be explored, including exiting the LPFA scheme as the fund continued to underperform putting a considerable drain on the University's resources.
- that the planned deficit in the Business Plan was known to HEFCE and not considered by them to be a risk.

The Board agreed, on the recommendation of the Finance and Human Resources Committee:

- a) to authorise the Chair and the Vice-Chancellor and Chief Executive to sign the Balance Sheet of the accounts for London Metropolitan University for 2004-5, as required under Section 233 (1) of the Companies Act (as amended)
- b) to authorise the Company Secretary to sign the Governors' Report as required under Section 234A of the Companies Act (as amended).
- c) to authorise the Chair and the Vice-Chancellor and Chief Executive to sign the Letter of Representation
- d) to approve the University's profit and loss account as required under Section 230(3) of the Companies Act

(Action: Chair, Vice-Chancellor and Secretary and Clerk to the Board)

267. Performance Indicators - University Performance 2005/06
(Agenda item BG 20/4.2)

The Board received the report on Performance Indicators and noted that two of the indicators had exceeded the agreed targets, nine had been achieved and one had been part achieved.

The following comments were also noted:

- that “part achieved” was where only some of the sub-indicators making up the whole indicator had been achieved

- that a target on external perception of quality was addressed in paragraph 1.3.7, A commentary on employer's views of LondonMet graduates (page 4 attached report on PI monitoring refers).
- that ways of improving the target on retention were constantly under review over the year and not just annually
- that the targets with the greatest risk, ie Retention, should be aligned with the Risk Register

Governors reaffirmed the targets for 2006/07, provisionally agreed at the June 2006 meeting of the Board, and agreed to delegate authority for approval for the remaining four sub-targets to the Finance and Human Resources Committee meeting in January 2007.

Governors agreed that a further high-level indicator was not required in order to measure matters of Governance and legislative compliance. It was noted that Governors had previously agreed that the maximum number of indicators should be 12 and this number should not be exceeded. The Board was also of the opinion that all the important performance measures were covered by the 12 indicators.

268. Management Information
(Agenda item BG 20/4.3.1)

The Board received and noted the report from the Director of Finance on Management Information for the three months to 31 October 2006 and the forecast for the year to 31 July 2007.

The following points were noted:

- that TDA holdback of £400 would be taken from general contingency reducing this to £2.2m
- that two extra staff would be employed to clear old non-tuition fee debt and accelerate payment of current debt
- that cash flow forecast showed an overdraft of £2.2m at the year end but this figure did not include any capital receipts expected from the sale of the Halls of Residence

269. Audit Committee Annual Report

(Agenda item BG 20/5.1)

The Board received the Audit Committee Annual Report. The Chair of the Audit Committee commended the work of the new Internal Auditors, which represented good value for money, and it was noted that they worked with the External Auditors and management in a very positive way.

It was noted that the Audit Committee were concerned at the conclusions and recommendations in the Internal Auditors' report on IT Governance and Risk Assessment in the strategic thinking and planning area. It was noted that if the IT systems were not working properly this would affect all the PIs and would not enable action to be taken at the right time.

It was noted that the Vice-Chancellor was acting on this matter and that a follow up report would be submitted to the July meeting of the Audit Committee.

(Action: Vice-Chancellor)

The Board noted the Non-Teaching Staff Governor's concerns that some issues raised while the internal auditors were carrying out an audit of his area had not been referred to in the final audit report. The Chair of the Audit Committee explained the procedures for following up recommendations in Internal Audit reports, and it was also noted that not all matters raised during the audit were always transmitted as recommendations

Reports on Formal Matters

270. Appointment of Vice-Chair

(Agenda item BG 20/5.2)

The Board received the report on the Appointment of Vice-Chair and noted the nominations procedure. It was also noted that it would be helpful to provide a short c.v. with such reports in the future.

Nominations were called for the Vice-Chair and received for Abdul Rahim (proposed Peter Anwyl, seconded John Haworth). There being no other nominations Abdul Rahim was duly elected nem con.

271. Report from Academic Board

(Agenda item BG 20/9)

The Board received and noted the report from Academic Board.

272. Date of Next Meeting

It was noted that the next scheduled meeting of the Board would be held on Wednesday 21 March 2007, 8th Floor Boardroom, Technology Tower, Holloway Road (North Campus) at 4.45pm.

273. Any Other Business

As this was the last meeting for the Chair, Governors and University Officers extended their thanks to Sir John for his significant contribution to the work of the Board over the last eight years, and especially his contribution to the successful merger of UNL and LGU, and wished him every success for the future.

AGENDA PART TWO

274. The Board noted for information

(Agenda items BG 20/7.1 - BG 20/7.4)

- a) Dates of Future Meetings
- b) Current Membership
- c) Outline Agenda for next meeting
- d) Health and Safety Annual Report

275. The Board noted the unconfirmed Minutes of:

(Agenda items BG 20/8.1 – 20/8.5)

- a) Minutes of the Audit Committee - 8 November 2006
- b) Minutes of the Health and Safety Council - 15 November 2006
- c) Minutes of the London Metropolitan Enterprises Ltd - 15 November 2006
- d) Minutes of the Nominations Committee - 20 November 2006
- e) Minutes of the Finance and Human Resources Committee - 22 November 2006

Minute 287 - Universities and College Union (UCU)

The Teaching Staff Governor declared his interest in this matter in his capacity as an elected official of UCU. He pointed out that he had been informed by the Regional Officer of UCU that there was no requirement to reapply for formal recognition of UCU and that the Regional Officer had written to this effect to the University. It was noted that since the University did not recognise the AUT and since the former union NATFHE dissolved on merger, recognition of UCU did not automatically follow under the relevant legislation. The University had asked for a formal request for recognition and this was awaited.