

**Minutes of the twenty fourth meeting of the Board of Governors
held on 12 December 2007**

Present: Peter Anwyl, Chair

Graham Castle	Professor Zenobia Nadirshaw
John Gabriel	Abdul Rahim
John Haworth	Brian Roper
Stephan John	Finlay Scott
Jeremy Mayhew	Abu Shohid
Bob Morgan	SarahTyacke

Clerk to the Board: John McParland

In attendance:	Bob Aylett	Pam Nelson
	Lyn Link	Rachel Thomas
	Paul Lister	Chris Topley

Apologies: Jon Alsbury, Raj Patel, Michael Snyder

329. Chair's announcements

The Board noted that this would be the last meeting for Chris Topley, Deputy Vice-Chancellor (Research and Development) who would be retiring at the end of December. Governors thanked him for his significant contribution to the work of the University and wished him well for the future.

330. Minutes of the meeting held on 24 October 2007

(Agenda item BG 24/1)

The Minutes of the meeting on 24 October 2007 were confirmed as a correct record.

331. Report for the period 15.10.07 – 30.11.07 from the Vice-Chancellor and Chief Executive

(Agenda item BG 23/4.1)

The Board received the report by the Vice-Chancellor.

The following points were noted:

Systems and Services Review

That this was progressing well and that the appointment of a new Director should be announced shortly. Governors would be kept informed of progress.

Awards Ceremonies

That the Awards Ceremonies were progressing well and the involvement of Governors was much appreciated. It was noted that seeing the achievements of the students put the work of the Board into context.

Research Assessment Exercise

That the 5th submission was substantial and copies are available to Governors on request. The Board acknowledged the considerable achievement of the outgoing Deputy Vice-Chancellor (Research and Development) in producing such a comprehensive document.

332. Strategic Plan – Review

(Agenda item BG 24/3.2)

The Board received a report on Strategic Plan Review. It was noted that the current Plan covered the period to 31 July 2008 and that it would be necessary to review and produce a new Plan for the period thereafter.

It was agreed that a first meeting with Governors to discuss the issues and principles needed to underpin future strategy would take place early in the New Year and Governors would be canvassed for their availability. Thereafter a draft plan would be submitted to the Board.

The plan would then be the subject of wider consultation with the intention of approving the Plan at a subsequent Board meeting.

(Action: Clerk to the Board)

333. University's Final Accounts 2006/07
(Agenda item BG 24/4.1)

The Board received the University's Final Accounts, together with the commentary from the Director of Finance and the report on HEFCE holdback.

The following key points were noted:

- the income and expenditure account showed a consolidated historical cost surplus of £34.3m
- the operating surplus for the year was £1.5m
- income had increased by £5.3m
- expenditure had fallen by £4.9m
- other operating expenses had fallen by £2.9m
- group total assets had increased by £55.6m to £79.3m principally due to the capital receipt from the sale of the leasehold interest in Tufnell Park
- group trade debtors had fallen by £0.6m
- prepayments and accrued income had risen by £1.6m
- creditors falling due after more than one year had fallen by £7.7m
- FRS17 pension fund liability had fallen by £18.2m
- the indicators of financial health
- liquidity and current ratios had increased with the current ratio above 1 at 1.2

- payroll costs as a percentage of total expenditure had increased to 63.1%

It was noted that the financial statements had been reviewed by the Audit Committee and the Finance and Human Resources Committee. However, one matter remained outstanding which was the need for the provision in the financial statements as at 31 July 2007 for HEFCE holdback of grant.

The Director of Finance explained the background to the HEFCE holdback and the current position the details of which were set out in the separate paper on HEFCE holdback.

The following points were also noted:

- some of the possible reasons for so many statistical audits over such a short period of the time, included the merger and the improvement in the HESA retention indicator at the University
- that HEFCE was proposing to move towards funding by module during 2008/09
- that a provision of £10m in the financial statements for possible holdback was only an estimate as the final figures had yet to be agreed with HEFCE. It was also noted that there may need to be a disclosure in the financial liabilities section.
- the deadline for submission of the accounts to HEFCE was 31 December 2007, but it had been agreed that the Director of Finance would write formally to HEFCE requesting an extension to the end of January.
- that the reinterpretation and proposed application of the funding formulae undermined the whole philosophy of the University, its mission statement and its strategy.
- that Governors were “shocked” by HEFCE’s change in attitude and did not believe the University had behaved outside the norm when compared with other similar institutions.
- Governors questioned how it could have been possible to make

significant changes to the operation of the funding method when there had been no objective overview of the whole higher education sector, and no impact assessment had been undertaken.

- that a significant proportion of black and ethnic minority students would not be eligible for funding under the reinterpretation of the funding methodology which was contrary to Government policy on expanding higher education and widening participation. There also appeared to be a particular inequality in singling out LondonMet students. These groups of students tended to come from disadvantaged backgrounds and consequently were more likely to take longer to complete their degrees. LondonMet had more black and ethnic minority students than does the whole of the combined 20 Universities in membership of the Russell Group.
- That the University's approach had not been offensive in the past and the Funding Council's proposals for the future acknowledged the approach would not be offensive in the future. The issue appeared to be one of acknowledging and agreeing what had been considered and accepted in the past. The University was not asking for more funding but asking for a legitimate right to retain existing funding.

The Board commended management on the excellent results, and although tuition fee income had reduced, cost savings had put the University back on target.

The Board strongly expressed the wish that their views should be put forward by the Vice-Chancellor during his continuing discussions with HEFCE on holdback. They also endorsed the comments of the Finance and Human Resources Committee on the matter (BG 24/8.4, Minute 371).

The Board noted the accounts and noted that these would be presented for signature at the special meeting to be convened for the Strategic Plan in the New Year. (NB: Date now arranged for 6 February 2008).

(Action: Vice-Chancellor/Director of Finance/Secretary and Clerk to the Board)

334. Performance Indicators (Agenda item BG 24/4.2)

The Board received the report from the Deputy Vice-Chancellor

(Research and Development) on Performance Indicators.

It was noted that two targets had been exceeded, nine had been achieved and only one on student satisfaction, had not been achieved. The following points were noted:

Student Satisfaction

- That the internal student satisfaction survey had not been completed because of a concern that the current methodology employed did not fulfill the requirements. It was intended to revisit the survey methodology in future years.
- That the national survey results may have been affected by the industrial action by academic staff that had previously taken place, many of the students' comments referred to this period of time.
- That much of the student dissatisfaction indicated in the national survey emanated from two large departments, namely Business and Service Sector Management and the Sir John Cass Department of Art, Media and Design. The students responses had markedly influenced the overall results.
- That Academic Board was monitoring the issue of student satisfaction very carefully and had been surprised by the results of the national survey which did not reflect internal opinion. It was noted that some dissatisfaction could have arisen because students were assessed too much and did not receive enough feedback. Academic Heads of Departments were taking this matter very seriously and were concerned about the effect on student recruitment. There were also concerns about the accuracy of the survey data.
- That EU students had indicated that they were the most dissatisfied while black and ethnic minorities appeared to be the most satisfied.

Governors congratulated the Deputy Vice-Chancellor (Research and Development) on his work on the Performance Indicators, in particular the clarity of the table on page 91. The Board reaffirmed the targets for 2007/08, provisionally agreed at the June 2007 meeting of the Board.

It was noted that a further report would be submitted to the June Board.

(Action: Director of Finance)

335. Management Information
(Agenda item: BG 24/4.3.1)

The Board received the report on Management Information.

The Board noted that the areas most at risk were grant funding and HEFCE holdback. Departments were being asked to keep a tight control on spending until the issue of holdback had been resolved. It was also noted that it may be necessary to make in-year budget cuts.

It was also noted that if the targets in the Business plan could not be achieved then the University might make a deficit.

The Board approved the proposed transfers in general contingency of £48k as set out in section 5 of the report.

336. Student Recruitment – oral update

The Board received an oral update on student recruitment from the Deputy Vice Chancellor (Research and Development).

The following points were noted:

- That a comparison had been made with the recruitment position as at the same time last year which indicated that overall the numbers were about 2% down.
- That there was a slight move away from undergraduate students towards postgraduate students.
- That recruitment figures were better for overseas students than home EU students.
- That Architecture and Spatial Design were down by 12.46%. However, this was deliberate because the department had a capacity problem and had had to turn away applications from highly qualified students. It would be necessary to revisit the Estates Strategy to ensure growth could be achieved in successful subject areas.
- That Computing, Communications Technology and Mathematics

(CCTM) was down by 15.15% and this reflected what was happening nationally. It was noted that the department was being re-engineered in order to reduce costs and invest in new areas.

- **Paper on funding/student number relationships**

It was noted that the paper referred to on Page 96 (2.1.4) would be circulated to Governors.

(Action: Deputy Vice-Chancellor (Research and Development/Clerk to the Board))

- That out of the total shortfall of 479 students, 339 of these were all in one department (CCTM).

337. Audit Committee Annual Report

(Agenda item BG 24/5.1)

The Board received the Annual Report from the Audit Committee.

The following points were noted:

- That the number of Priority 1 recommendations had decreased
- That the Committee was working towards the position where management would welcome the opportunity to have systems reviewed rather than seeing this as a threat
- That the Committee had agreed to carry out a review of its effectiveness during the forthcoming year
- That it would be worthwhile having more regular reports on the Systems and Services Review during the interim period.

The Board approved the report and thanked the members of the Audit Committee for their work over the year.

338. Health and Safety Committee Annual Report

(Agenda item BG 24/5.2)

The Board received the Health and Safety Committee Annual Report.

It was noted that there were no major health problems and that the accidents referred to in the report could be described as “slip and trip”, i.e. everyday accidents.

It was noted that the accident rate across the University had continued to fall which was a good result as parts of the University represented a potentially high risk environment.

339. Academic Board Report
(Agenda item BG 24/6)

The Board received the report from Academic Board and noted the proposals to review the academic regulations. It was also noted that there would be a presentation to the Joint Standards Board on the University’s regulations versus other institutions’ regulations.

340. Date of Next Meeting

It was noted that the next meeting would be a Special Meeting of the Board. (This has now been arranged for Wednesday 6 February 2006 at 5pm, Room 121 Moorgate.)

(Action: Clerk to the Board)

It was noted that the next scheduled meeting of the Board would be held on Wednesday 19 March 2008, 8th Floor Boardroom, Technology Tower, Holloway Road (North Campus) at 5pm.

AGENDA PART TWO

341. The Board noted for information

(Agenda items BG 24/7.1 - BG 24/7.4)

- a) Dates of Future Meetings
- b) Current Membership
- c) Outline Agenda for next meeting
- d) QAA Mid-Cycle Follow up

342. Equivalent or Lower Qualifications

(Agenda item BG 24/7.5)

Governors received the report on Equivalent or Lower Qualifications and noted the significant effects such a policy would have on the University in terms of its students and funding.

The Board supported the stance of the Vice-Chancellor on this matter to continue to press for further exemptions and to campaign against the introduction of such a policy. It was noted that there had been no impact assessment made of the proposed change by HEFCE.

343. The Board noted the unconfirmed Minutes of:

(Agenda items BG 24/8.1 – 24/8.4)

- a) Minutes of the Health and Safety Council – 31 October 2007
- b) Minutes of the Audit Committee – 7 November 2007
- c) Minutes of London Metropolitan Enterprises – 14 November 2007
- e) Minutes of the Finance and Human Resources Committee – 21 November 2007