

**Minutes of the forty seventh meeting of the Board of Governors held
on 26 January 2011**

Present: Clive Jones – Chair
Yeashir Ahmed
Laura Carstensen
Dr Kathy Castle
Kay Dudman
Katherine Farr
Emir Feisal
Prof Malcolm Gillies
Rob Hull
Maureen Laurie
Tony Millns
Ann Minogue
Dr Daleep Mukarji

In attendance: Bob Aylett, Deputy Vice-Chancellor (Academic)
Sean Connolly, Director of the Programmes Office
Lyn Link, Director of Human Resources
Paul Lister, Deputy Vice-Chancellor (Research and
Development)
Pam Nelson, Director of Finance
Rachel Thomas, Assistant Secretary

Clerk to the Board: John McParland, Clerk to the Board

Apologies: Dianne Willcocks and Mark Robson

640. Announcements

It was noted that this was the last meeting for Bob Aylett, Deputy Vice-Chancellor (Academic). The Chair thanked him for his contribution to the work of the University over the last ten years and in particular his role as Acting Vice-Chancellor for three months in 2009.

641. Minutes of the meeting held on 17 November 2010
(Agenda item BG 47/1)

The minutes of the meeting held on 17 November 2010 were confirmed as a correct record and signed by the Chair.

The Board noted that there were no differences between the roles of Independent Lay Governors and Lay Governors. Membership of the Board was defined in Article 5.

It was also noted that the minutes would be published on the University's Freedom of Information pages. The attached presentation was confidential information for Governors only.

642. Matters Arising

Minute 622 Fee and Debt policy

It was noted that reference to this was included in the Part Two agenda papers.

Minute 627 Organogram – roles and reporting lines

It was noted that this was work in progress.

(Action: Malcolm Gillies, Vice-Chancellor)

643. General Report from the Vice-Chancellor
(Agenda item BG 47/2.1)

The Board received and noted the General Report from the Vice-Chancellor.

The following main points were also noted:

Acting Deputy Vice-Chancellor (Academic)

That the Vice-Chancellor would be calling for expressions of interest in this role. It was noted that this was a temporary appointment and the Board would not need to be involved in the appointment process. When an appointment could be recommended a meeting would be arranged with the Chair.

Any views on this matter by the SU President could be communicated to the Vice-Chancellor.

(Action: Malcolm Gilles, Vice Chancellor/John McParland, Clerk to the Board, Yeashir Ahmed, SU President)

Quality Assurance Agency (QAA) Institutional Audit

The Board noted the outcome from the QAA Audit. The Vice-Chancellor commended the contribution of Bob Aylett, Jean Fawcett (Director, Academic Development and Review) and Catherine Connor (Head, Quality Enhancement Unit) in particular for their contribution to a very successful audit exercise. The Board noted the recommendations for action and that the final report would be provided by 18 March at which time it would be circulated to members of the Board and official publication.

(Action: John McParland, Clerk to the Board)

HEFCE – Vice-Chancellor’s Quarterly Report

The Board noted the report and in particular para.1.6 PricewaterhouseCoopers’ Options study. The Board also noted the tabled draft specification for the Options Study and the proposal to refresh the study. It was also noted that HEFCE, the co-commissioner of the original study, had given their approval for the University to proceed.

The following points were also noted:

- Governors’ responsibilities as Directors
- that any report should be strictly confidential and subject to a non-disclosure agreement
- the elected Staff Governor’s suggestions about re-scheduling the repayment to HEFCE and the Vice-Chancellor’s response
- that other HE studies could be considered ie on merger possibilities and sharing resources

The Board approved the suggested approach and noted the four options to be developed, including the option of developing “a ‘creative’ option, probably involving some sort of collaboration (eg mutuals, joint ventures)”.

It was noted that the report would be high level, outlining the situation facing the University, and the four options and recommendations for future consideration. The report would be significantly less comprehensive than the 2008 reports and consequently not so expensive. It would provide the basis for reasonable discussion with the Executive Group and the March Board about the current situation and next steps.

(Action: Malcolm Gillies, Vice-Chancellor/John McParland, Clerk to the Board)

HESA Return 2010/11

It was noted that the University was unlikely to meet its HEFCE quota of places for 2011/12. An analysis of the enrolment data was being undertaken, including the shortfall in international recruitment. It was also noted that the student drop out rate had improved as had the University’s selection procedure. The Vice-Chancellor was confident about the University’s strategic direction but was of the opinion that operational issues needed to be improved and issues around brand addressed.

It was agreed that a presentation from the Director of Marketing would be arranged. The Board also asked to be updated on process/operational issues.

(Action: Malcolm Gillies, Vice-Chancellor/John McParland, Clerk to the Board)

Strategic Development Fund (SDF) Bid

Governors stressed that ICT investment was critical for the University. It was noted that a report/presentation on how the SDF funding would be used to develop reliable student administration and finance systems and an effective learning environment would be submitted to the March Board.

(Action: Malcolm Gillies, Vice-Chancellor)

Middle States Commission on Higher Education

It was noted that this accreditation was important for the development of American Partnerships and research grant opportunities.

Pay and Reward Review

It was noted that initially this review would be submitted to the Finance and Human Resources Committee for consideration and thereafter to the Board.

Partnerships and Development

The Board noted the intention to reduce and consolidate the University's partnerships to improve financial returns and move forward in terms of provision in the UK. The Board noted the Vice-Chancellor's comments about future development and also noted a Governor's views about perceived partnership arrangements.

644. OFFA (Office of Fair Access) Access Agreement 2011-12

(Agenda item)

The Board received the report from the Deputy Vice-Chancellor (Academic) on the OFFA Access Agreement 2011-12. The following points were noted:

- That the proposals represented a material change in respect of the revised baseline bursary and the volume of funding for targeted interventions.
- That all Home/EU students were entitled to be considered for the bursary/hardship funds and an example was noted where the discretionary hardship funds might be applied to overseas students.
- That mechanisms were in place to monitor satisfactory student continuation and progression so as to ensure funds were applied properly.

The Board approved the submission of the Access Agreement to OFFA.

(Action: Bob Aylett, Deputy Vice-Chancellor (Academic))

645. Review of Business Processes

The Board received an oral report on the Review of Business Processes from the Director of Finance. It was noted that the report had been the subject of an extensive consultation process to discuss the broad principles of the recommendations. These mainly concerned cultural change, decision making and balancing services between Faculties and Support departments.

It was noted that a strategy for cultural change would be discussed at the Executive Group and that it may be appropriate to seek advice outside the University about how this could be achieved. The Board expressed the view that a holistic approach should be taken to transformational change across the University and staff should be involved in the details of such a process.

It was noted that the final report on the Review of Business Processes would be submitted to the March Board.

(Action: Pam Nelson, Director of Finance/Malcolm Gillies, Vice-Chancellor)

646. Management Information and Financial Forecast update

(Agenda item BG 47/4.1)

The Board received the report on December Management Information and Financial Forecast update and noted the comments from the Director of Finance.

The following points were also noted:

Tuition Fees 2012-13

That a decision about fee levels was crucial to enable to University to move forward. It was noted that the development of a policy was underway and discussions were taking place with the Faculties. It was likely that a variable level of fees would be offered and that the draft policy was being drawn up. This would need to link in with the Review of Undergraduate Education.

(Action: Malcolm Gilles, Vice-Chancellor)

Debtors

It was noted that the debtor position had improved, although outstanding debt remained substantial. The debts were mainly attributable to overseas students and the University's installment policy was in line with other institutions.

Operating Surplus

The Board received the tabled paper from the Trade Unions on their views about the financial status of the University and that there were no grounds for the current cuts. The Board also noted the comments from the Elected Staff Governor about the current positive financial status of the University and the Academic Board Governor's views about the withdrawal of resources from the Learning Development Unit. However, it was noted that future funding would reduce and the Board would need to support the decisions of the Vice-Chancellor and management to ensure the future viability of the University.

647. Disposal of Tower Hill (100 Minorities)

(Agenda item BG 47/4.2)

The Board received and noted the confidential tabled paper on the disposal of Tower Hill.

The Board agreed in principle that if no further unconditional offers in excess of the Grange bid were received to accept the Grange bid and proceed to exchange of contract. It was noted that it would be necessary to proceed to exchange within 30 days of 1 February to secure the sale. The Board delegated authority to the Finance and Human Resources Committee, subject to due diligence, to exchange of contract.

(Action: Director of Finance)

648. Governance Review
(Agenda item BG 46/5.3)

The Board received the report on Governance Review from the Clerk to the Board and Tony Millns, Chair of the Governance Committee. The Board also received a tabled report on proposed Committee membership.

The following points were noted:

- that in the past the elected staff Governor and the President of the SU had been members of the Governance Committee
- that the Academic Strategy Committee would enable the Board to discharge its responsibilities under Article 9 (a) and 9(h) of the Article of Association, while being aware of, but not interfering with the regulatory functions of the University
- that the Strategy event (or possibly events) would enable Governors to concentrate on the future of the University and the issues facing it
- that it would be necessary for the Board to consider accountability of the Executive team and their relationship to the Committees in the context of the new senior structure
- that the ambit of the Remuneration Committee in relation to severance pay should reflect HEFCE guidance
- that the Governance effectiveness process has yet to be determined. It was noted that the Chair of the Board would be holding individual meetings with all Governors.
- that the Elected staff Governor would be prepared to deputise for the Academic Board Governor on the Academic Strategy Committee. It was noted that the membership of this Committee was not restrictive.

(Action: Tony Millns, Chair of the Governance Committee/Clive Jones, Chair of the Board/John McParland, Clerk to the Board)

The Board approved the following recommendations by the Governance Committee, subject to the comments above:

- (a) the amendment of the terms of reference of the Finance and Human Resources Committee, and change of title to Finance and Resources Committee
- b) the amendment of the terms of reference of the Academic Strategy Committee
- c) the establishment of a Remuneration Committee with the proposed terms of reference attached

- d) the renaming of the Health and Safety Council as Health and Safety Committee with an Independent Governor as Chair
- e) the convening of a Strategy event each Spring with the first event in April on a date to be agreed and a second as necessary in the Autumn

The Board also noted the Governance Committee's suggestions for further discussion and that the Committee would be meeting again on 3 March 2011 before submitting a final report to the March Board.

Proposed Committee Membership

It was noted that further comments on the proposals would be submitted to the Chair of the Governance Committee before final approval.

(Action: Tony Millns, Chair of the Governance Committee)

Induction and Legal Responsibilities of Governors

It was noted that Governors' responsibilities were set out in the Articles of Association. Various other documents and guidance on legal responsibilities were available on the Governors' intranet site.

It was also noted that a paper which had been submitted to the Governance Committee on this matter would be re-circulated.

(Action: John McParland, Secretary and Clerk to the Board)

649. Any Other Business

London Living Wage

The Board noted the Trade Unions concerns about the London Living Wage and the views of the Board and the Vice-Chancellor. It was noted that this would be a matter for the Finance and Human Resources Committee.

(Action: Director of Human Resources)

AGENDA PART TWO

650. The Board noted for information (Agenda items BG 47/6 - BG 45/8.8)

- a) Management Information
- b) Financial Forecasts
- c) Partnership Strategy
- d) Tuition Fees 2011/12
- e) Tuition Fees 20010/11

The Board noted the comment from the Elected Staff Governor on the calculation of tuition fees and the response of the Director of Finance

651. Date of Next Meeting

It was noted that the date of the next scheduled meeting of the Board would take place on Wednesday 16 March 2011 in the Clore Seminar Room, The Women's Library, Old Castle Street, E1 7NT (City Campus) at 5pm (Note Venue changed to The Mock Courtroom, Goulston Street).