

Confirmed

Board of Governors

Minutes of the fifty-first meeting held on
Wednesday 28 September 2011

Present:

Clive Jones – Chair
Laura Carstensen
Kathy Castle
Kay Dudman
Katherine Farr
Emir Feisal
Malcolm Gillies
Rob Hull
Tony Millns
Ann Minogue
Daleep Mukarji
Mark Robson

In attendance:

Paul Bowler, Deputy Chief Executive
Sean Connolly, Director of the Programme Office
Caroline Jackson, Director of Estates
David Lane, Director of Marketing and Communication
Claire Locke, Interim President of the Students' Union
Lyn Link, Director of Human Resources
Prof Peter McCaffery, Deputy Vice-Chancellor
Alistair Strannack (Parthenon)
Jonathan Woodhead, Executive Officer

Clerk to the Board:

Alison Wells, University Secretary

1 Apologies

Apologies for absence were received from Maureen Laurie, Dianne Willcocks and Pam Nelson. An apology for late arrival was received from Laura Carstensen.

2 Appointments of Chair and Vice-Chair of the Board (Agenda item BG 51/1)

Clive Jones then handed the Chair over to Malcolm Gillies who drew governors attention to the paper and the recommendation of the Governance Committee that Clive Jones and Mark Robson be reappointed as Chair and Vice-Chair respectively. The Board approved the recommendation.

Before proceeding with the agenda, the Chair drew governors' attention to the fact that a copy of the confidential paper on the Women's Library, which was on the agenda for consideration at the meeting, had been sent to a member of staff from the Women's Library. The Chair advised he had discussed the matter with the Vice-Chancellor and the Clerk and had determined to withdraw the item from this agenda.

The disclosure of a confidential paper was a matter of serious concern. If the Board was unable to have an open discussion or to consider papers that contained sensitive or challenging propositions it would be extremely difficult to transact Board business. The paper on the Women's Library was well argued and raised important questions but regrettably could not now be discussed at this meeting. Of equal concern was the impact on the Board's duty of care to university staff, who could be greatly unsettled by the paper. There are formal and appropriate mechanisms for consulting and communicating with staff. The leak of the paper was wholly inappropriate.

Emir Feisal noted that it might be appropriate to have formal protocols covering confidential items, setting out the serious repercussions for anyone who breaches confidentiality and it was agreed that the Governance Committee would consider this at its next meeting.

Anne Minogue noted that the disclosure was not merely counterproductive but actually detrimental to the Women's Library; there were pressing matters to be addressed. In response to a question from Katherine Farr, the Vice-Chancellor noted that only members of the executive in attendance at the meeting, and the governors themselves, had access to the papers.

Action: Clerk to the Board

3 Declarations of Interest

There were no declarations of interest.

4 Minutes of the last Board Meeting – 22 June 2011 (Agenda item BG 51/4)

The minutes of the last meeting were confirmed as an accurate record

5 Matters Arising

There were no matters arising not covered under substantive items.

6 Parthenon

The Board welcomed Alistair Strannack from Parthenon; a consultancy organisation which had carried out, without charge to the institution, an analysis of the institution's market position and of changing student requirements and expectations. These could be critical factors in assessing and refining the institution's portfolio of courses. Alistair Strannack then presented Parthenon's findings which identified the great and still growing importance of employability as a factor informing student choice.

There were a number of comments and questions from governors. These touched on the other benefits to the individual as well broader societal benefits derived from a higher education in addition to the employability of graduates, the link between academic discipline and discipline specific employment, the importance of institutional reputation and strength of agency links to successful international student recruitment, the need for flexibility in a fast changing environment and the potential for future changes in public policy for the funding of higher education. In concluding, Alistair Strannack advised that the analysis did not make judgements on policy or identify solutions, but rather provided a starting point for the University's own more detailed analysis. He noted that employability was clearly a major focus and concern for LMU students and one of even greater importance to international students from Asia.

7 Reports by the Vice-Chancellor and Chief Executive

a General Report (Agenda item BG 51/7.1)

The Vice-Chancellor introduced his report. He drew governors' particular attention to the focus this year on the Strategic Plan objectives of "embracing the future" and "building a more trusting culture". He reported that the Finance and Resources Committee would be asked to review two new major proposals at its next meeting, for onward submission and consideration at the November Board meeting. The proposals would address the issues of market analysis and competition and would involve new partners for the university and would require the Board to take a rational and mature approach to what may be rather challenging aspects of the proposals.

He commented in detail on the quarterly report that had been made to HEFCE arising out of the institution's "at risk" status. Many of the indicators were positive, showing good progress, however there were some areas of adverse change and continuing concern about some of the core systems. It was possible that the institution might actually choose to remain "at risk" as a technicality, until such time as the Executive and the Board could be confident that the issues had fully been addressed. Katherine Farr noted that the Audit Committee in November would also be considering systems and data as part of its obligations to give assurance to the Board of Governors. One of the outstanding issues to be addressed was the review of the effectiveness of the Board which was being led by the Chair of the Board and the Chair of the Governance Committee. It was noted this would be considered at the next Governance Committee meeting. It was also agreed that the matter of the disclosure of the Board paper would also be a substantive item for consideration.

It was noted that there had been an internal communication problem relating to part time fees which had since been identified and resolved but which would impact the institution financially. A new risk had been identified and reported to

HEFCE as well as the Chairs of the Board, Audit and Finance Committees. This risk related to an historic management problem and was under review

Finally the Vice-Chancellor announced the appointment of the new Dean of the Business School but requested governors maintain confidentiality until final confirmation had been received. Rob Hull confirmed that the panel, which had included staff and student representatives, had been unanimous in its support for the appointee.

The Board received and noted the report.

b 2011 Admissions and Clearing

Peter McCaffrey reported that Clearing this year had gone very well. He recalled that in previous years the University had sought to recruit around 23% of its students through Clearing but this year the target had been 48% (equivalent 4873 FTEs). The planning and organisation of Clearing this year had been significantly improved both in terms of practical operations, in setting the academic thresholds for entry and in staff team-working. The institution had exceeded its recruitment target and established waiting lists for courses and consequently it would not be recruiting for semester B entry in any course (apart from a few select courses which recruit strongly in international markets).

The University was now focused on recruitment for 2012/13 entry, which would be a challenging and uncertain time for all institutions. The Board noted that the executive would be monitoring the UCAS numbers closely and would report at key milestones on the emerging picture for enrolment next year.

The Board noted the report.

c Scenario Planning 2010-2013 (Agenda item BG 51.7.2)

Paul Bowler presented his paper which had originally been considered by the Finance and Resources Committee. He commented on the modelling of a possible 30% reduction in student numbers and the implications for the institution which would need to be flexible and respond rapidly to mitigate risks. The nine actions in the paper remain apposite. Some early modelling of a 50% reduction had been undertaken but it had rapidly become clear that the institution would be completely unable to respond to such a drop.

The Board noted the report and requested that a critical path be produced showing key milestones and challenges which should be sequenced in to Board of Governors agendas.

Action: Deputy Chief Executive and Clerk to the Board

d PSD Restructuring (Agenda item 51/7.3)

Paul Bowler introduced the item and noted that the actual savings to be achieved would be contingent upon individual termination dates. The Finance and Resources Committee had in the last few days approved a further voluntary redundancy exercise for academic staff, but it was likely this would need to be followed by a compulsory redundancy exercise. Lyn Link, the Director of HR advised that the trades unions had welcomed the VR scheme but would not be supportive of compulsory redundancies. The regular meetings

between union officers and the Chair would resume shortly. Vacancy control measures were in place for all permanent and agency staff recruitment and, where appropriate, at risk members of staff were redeployed into other posts. The Board noted the report and changes in institutional structure and requested that it receive an updated organogram with key departments and post holders. Governors also encouraged the executive to maintain the momentum in restructuring and reducing staffing costs.

Action: Director of Strategic Programmes Office

e Risk Appetite (Agenda item 51/7.4)

Sean Connolly introduced the paper which set out both a structure and grading for determining the institution's risk appetite. Katherine Farr asked the Board to deliberate and formally confirm each point to ensure that it was properly representative of the appetite to risk

The Board endorsed the eight principles for its statement of risk appetite, noting that under item 4 that the referral process should depend on the nature of the activity and be determined on a case by case basis. It further noted that the risk management statement should be reviewed "at least annually".

Turning to the specific activities, these were also endorsed, with item 4 to be amended to be identical to the bullet point in item 5 of the statement of principles of risk appetite.

The Board then discussed each activity in turn and, after debate, approved the following scores to each activity

Financial sustainability	-	low
Student experience	-	low
Reputational risks	-	modest
Academic standards	-	low
University support systems	-	low

8 Communications Plan 2011-2012

David Lane gave a formal presentation to the Board on communications. The Board welcomed the presentation and discussed a number of points including the appropriate measures of institutional quality, possible refinements of phraseology, and capturing the full character of the institution and its students. Claire Locke then gave a short briefing on the "Social Met" project. Alison Wells then drew governors' attention to the final page which set out a proposed review of governor communications and providing governors with better information to act as ambassadors for the university.

9 Financial Reports

a Draft Financial Results 2010 – 11 (Agenda item BG 51/9.1)

Paul Bowler drew governors attention to the papers, noting that the surplus was better than anticipated but that income was significantly reducing and that cost control would be a continuing priority.

The Board received and noted the report.

b Summary of Data Quality and Assurance Activities (BG 51/9.2)

Paul Bowler noted the excellent work done on improving data quality by Paul Lister and observed that work was continuing on the assigned projects. He advised that the Board could take some comfort and assurance from the fact that the outcomes of the recent HEFCE audit and the internal audit on data quality had been positive. The University had also recently used, for the first time, the pre-collection validation system for HESA data, an exercise which had also gone well. Katherine Farr stated that the Audit Committee would also be looking at all types of data return and that this would go beyond just HESA and HESES data.

The Board noted the summary and the progress made to date

10 Estates Presentation and Progress Report (Agenda item BG 51/10)

Caroline Jackson gave a brief presentation and noted that all the planned sequence of moves had been agreed with the affected Faculties and with the Executive Group. There was a discussion of the availability and feasibility of using short term office accommodation and it was also confirmed that the University would be retaining two campuses for the foreseeable future. The process of renaming sites and buildings would be an important aspect of effecting culture change but would take some time to complete. It was agreed that any governors with specific questions should contact Caroline Jackson after the meeting.

The Board approved the surrender of the lease of 100 Hornsey Road.

The Vice-Chancellor also tabled a short paper from the Sir John Cass's Foundation setting out the basis for exploratory discussions with the University over the development of 31 Jewry Street, which the Board endorsed.

11 Women's Library (Agenda item BG 51/11.1 and BG 51/11.2)

The Board recalled the earlier discussion and noted that this item had been withdrawn from the agenda.

12 Human Resources Report – Pay and Reward (Agenda item BG 51/12)

Lyn Link introduced the paper and drew governors' attention to key points. The Chair advised the Board that the Remuneration Committee had met on 19 September and among its decisions it had determined to take a broader view of the pay context for the institution.

13 Any Other Business

Kay Dudman proposed that consideration be given to the addition of a further staff member to the Board, in order that there might be one member of academic staff and one member of support staff at all times rather than rotating between the constituencies. Claire Locke then proposed that consideration be given to increasing student representation on the Board. It was agreed that both Kay Dudman and Claire Locke should send proposals formally through for the consideration of the Governance Committee at its meeting in October.

Part One of the Board meeting then closed.

AGENDA PART TWO

1 **The Board noted for information:**

(Agenda items BG 51/13.1 – 51/13.6)

- a Dates of Future Meetings
- b Current Membership of the Board
- c Outline Agenda for Next Meeting
- d Review of Post Graduate Education
- e Update on SDF Implementation Plan
- f Estates Master Plan

2 **The Board noted for information the unconfirmed Minutes of: (Agenda items BG 51/14.1 – 14.4)**

- a Health and Safety Committee – 29 June 2011
- b Finance and Resources Committee – 6 July 2011
- c The Women's Library Council – 13 July 2011
- d Audit Committee – 20 July 2011

3 **The Board noted for information the following Chair's Actions**

- a At the recommendation of the Audit Committee (following a formal appointments process in accordance with the University's financial regulations), the Vice-Chair appointed PriceWaterhouse Coopers as Internal Auditors for four years from 1st August 2011.
- b The Chair has approved the appointment of Pam Nelson and Paul Bowler as Directors of London Metropolitan University Enterprises.

4 **Date of Next Meeting**

The next meeting of the Board of Governors will be held on Wednesday 23 November 2011 at 5pm at a venue to be confirmed.