



Board of Governors

**Minutes of the fifty-fifth meeting held on
Wednesday 14 March 2012**

Present:

- Mark Robson – in the Chair
- Syed Ali
- Laura Carstensen (from minute 753 to minute 758.2)
- Kathy Castle
- Kay Dudman
- Katherine Farr
- Emir Feisal
- Malcolm Gillies – Vice Chancellor
- Rob Hull
- Maureen Laurie
- Tony Millns
- Ann Minogue
- Daleep Mukarji
- Dianne Willcocks (until minute 758.1)

In attendance:

- Paul Bowler, Deputy Chief Executive
- Sean Connolly, Director, Strategic Programme Office
- Mark Harris, Deputy University Secretary (Board)
- Lyn Link, Director of Human Resources
- Peter McCaffery, Deputy Vice Chancellor
- Pam Nelson, Director of Finance
- Alison Wells, University Secretary
- Jonathan Woodhead, Executive Officer

751 Apologies for absence

Apologies for absence were received from Clive Jones. In his absence Mark Robson took the Chair.

752 Declarations of interest

Tony Millns declared an interest in the minutes of the Governance Committee relating to tenures of office of governors (paper BG 55/10.3).

753 Minutes of previous meeting (BG 55/1)

The minutes of the meeting held on 25 January 2012 were approved as a correct record.

754 Matters arising

None reported.

755 Matters from the Vice Chancellor

755.1 General report and Quarterly Report to HEFCE and the Board of Governors (BG 55/2.1)

The Vice Chancellor presented his two reports and tabled a draft institutional risk assessment letter from HEFCE.

In his general report the Vice Chancellor drew attention to four particular areas:

- (i) The forthcoming Board Strategy Day, which he suggested should be used to finalise any special one-year priorities for 2012-13 and to lay the foundations for the Strategic Plan 2013-2016;
- (ii) The particular focus under the Strategic Plan for 2012/13 would be jobs; the University would review its employability initiatives for students and staff and its work with external partners.
- (iii) The Shared Services initiative, which was proceeding according to schedule and which would be reported on later in the meeting; and
- (iv) A recently declared dispute between UCU and the University

over the current redundancy exercise.

The Board noted the executive actions in train to improve institutional performance, encompassing infrastructure, reporting and control mechanisms. A progress report would be made to the Audit Committee meeting in May. The Board also noted the substantial increase in penalty next year for over-recruitment from £3K per student to £10K per student.

[Part of minute removed on ground of commercial sensitivity].

Following a general discussion the Board noted that:

- (i) a report would be made to the Audit Committee's May meeting on the plans for managing Clearing 2012; and DCE
- (ii) a report would be presented to the Finance and Resources Committee on Fundraising and Giving to LMU. DCE

Action: Paul Bowler

755.2 International strategy progress report (BG 55/2.2)

The Vice Chancellor presented a report from Mark Bickerton, Director of the International Office, who had given a presentation to the Board at its November 2011 meeting. The Board noted that international operations was a fast-changing area that required active engagement and regular review

The Board suggested:

- (i) that it would be helpful to make greater use of international alumni and overseas agents;
- (ii) that the next version of the report should contain quantitative measures and clear timescales for delivery; and
- (iii) that the final report of the International Strategy Review should provide detailed analysis on a regional or country by country basis, clearly specifying areas for growth or reduction.

755.3 Joint venture with LSBF (BG 55/2.3)

[This matter is the subject of a separate commercially confidential minute].

The Board **approved** in principle the joint venture with LSBF subject to the proposed venture gaining approval from the UK Border Agency (and the Quality Assurance Agency), and to the University securing the requisite additional CAS numbers from the UKBA.

The Board further delegated formal authority to the Chair or Vice-Chair to sign the agreement if the outstanding issues were satisfactorily addressed.

755.4 Review of Postgraduate Education and Research (BG 55/2.4)

Peter McCaffery introduced the report of the Review, which had been received by the Academic Board at its February meeting. Governors noted the opinion expressed at the Academic Board that there was a need to proceed with caution and a full understanding of the implications of recommendations 1.3 (taught postgraduate fees), 1.6 (contractual matters) and 3c (research in the Faculty of Social Sciences and Humanities).

Governors sought reassurance on handling of intellectual property rights, particularly in the context of research, and it was reported that the University had an IP policy which was under review. The University was also taking care appropriately to protect its IP rights when it entered into validation and franchising agreements, (including the proposed venture with LSBF).

756 Student governor's report

Syed Ali reported briefly on progress with the Students' Union's constitution and byelaws and said that he would be bringing these to the Board's next meeting. He also reported that the Union was currently recruiting a General Manager.

Syed also expressed the Union's thanks for the recent extension to Library opening hours, which had enhanced the student experience.

757 Review of risk appetite and risk management policy (BG 55/3.1 to 3.6)

Katherine Farr (Chair of the Audit Committee) introduced the paper, recalling the discussion at the Board meeting in November 2011. She reported that a subgroup of the Audit Committee had looked at risk management in practice and how policies and procedures operated in faculties and professional services departments (and the degree of consistency of approach).

Sean Connolly outlined the main findings of the internal audit review of risk management carried out by PricewaterhouseCoopers. [Part of minute removed on ground of commercial sensitivity].

The Board noted the action plan and timeline for implementing recommendations. The Board also noted developments under way:

- The appointment of faculty and PSD 'Risk Champions';
- The creation of a risk management working group to review individual risk registers with the aim of improving consistency of recording;
- The development of project risk registers;

- The inclusion of a risk management overview in future reports from the Vice Chancellor to the Board;
- A programme of inviting Deans and heads of PSDs to report on risk management to the Audit Committee, with the object of improving the Committee's understanding of the operation of risk management at Faculty and PSD level;
- The development of a reporting system for following up further mitigations from Faculty and PSD risk registers;
- The development of KPIs for risk management and a revised reporting mechanism.

The Board noted that the Remuneration Committee would be considering how effective risk management and risk accountability could be embedded within performance measures for senior post holders. The Risk Management Policy had been revised to make the lines of accountability clearer. The Risk Management Strategy had also been revised and the tolerability matrix had been amended to include the category of 'black' risk for activities with a residual risk rating of 25 (i.e. those rated 5 for severity of impact and 5 for likelihood of occurrence).

The Board **approved** the proposed changes to the Risk Management Strategy and Policy.

The Board **requested** that the Statement of Risk Appetite be taken forward for detailed consideration and review in the light of the deliberations of the Board at its upcoming Strategy Day in May.

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Action: Sean Connolly.

758 Special Collections (BG 55/4)

Emir Feisal (Chair of the Special Collections Working Group) introduced the Working Group's report, which set out the areas considered by the Group and identified a number of options for the Board's consideration. The report covered all the University's collections, of which the most significant was the Women's Library Collection. The Board considered the report on each collection in turn:

758.1 The Women's Library Collection

Laura Carstensen formally stated for the record that she dissented from the report's recommendations. In her opinion, the University was obligated to maintain the collections on the terms set out in the trust documents. Moreover, while she recognised the conflict of duties that existed for governors, she was not convinced that it was better to mothball or close the collections and believed that a new owner for the collection could and should be found.

The Board noted the legal advice received, drawing governors' attention to their conflict of duties, as they were both trustees of the University and trustees of the Women's Library collection. The difficulty of their situation was acknowledged, as were the steps which had been taken properly to fulfil their obligations in each regard, including establishing the Working Group and giving full and proper consideration to the respective duties at both this and previous Board meetings.

A number of points were made by individual governors in the robust discussion that followed:

- Reducing the Women's Library's opening hours to one day a week would effectively make it inaccessible to visitors from overseas and would be seen as de facto closure.
- Reducing the opening hours could also result in the loss of specialist staff.
- That there was a duty to seek a new home for the Library if it could not be maintained at LMU and that, if possible, such a home should allow the collection to remain publicly available.
- That it was essential to recognise the archival value and the integrity of the collection.
- There was a reputational risk to the University in closing any of the collections, but there was also a duty not to fund in perpetuity a collection which was of limited benefit to the majority of students.
- Adequate time would be needed to explore the possibility of finding an alternative home for the Women's Library. It was unlikely that this could be done in the next four months and the Library should continue to operate until the end of 2012.
- Advice had been received from Library staff that introducing charging for use would substantially reduce the number of visitors.
- Whether the collection could be somehow co-owned (though this would clearly be difficult to effect).

The Board noted that any proposal to depart from the terms of any of the trusts under which the Special Collections were held would require the approval of the Charity Commission and that it would be necessary to approach the Commission with firm proposals rather than inviting it to select one from a list.

The Board noted that a meeting with the staff working in the Women's Library was scheduled to be held the next day and a clear decision from the Board would provide clarity and allow proper discussions with the staff involved. It was further noted that the staff currently based in the Women's Library were University employees and it was hoped that they could transfer to roles elsewhere within University Library Services.

The matter was put formally to the vote. There was one abstention. All remaining governors formally **resolved**:

- (i) That the collection move to revised opening hours of one day a

- week from 31 December 2012;
- (ii) That these revised opening hours remain in effect for a temporary period of three years;
 - (iii) That the Development (fund-raising) resource within the Women's Library be transferred to central fundraising activities with immediate effect;
 - (iv) That further work be undertaken into the possibility of constructing a lecture theatre within the Women's Library building; and
 - (v) That the Vice Chancellor be charged with working to find a new home, sponsor or owner for the collection that/who could adhere to the terms of the deeds of trust in a way that was acceptable to the governors as trustees.

758.2 TUC Collection

Having considered the recommendations in the report the Board **unanimously resolved** that, if the TUC failed to agree by 1st May 2012 to increase their contribution as requested to a 50/50 basis with the University for the 2012/13 financial year then the University will formally give 12 months' notice of the return of the collection to the TUC, (or the mothballing of the collection if the TUC so approve).

758.3 The Frederick Parker Collection and the Archive of the Irish in Britain

Having considered the recommendations in the report, and noting the modest funding required for their support the Board **unanimously resolved** that these collections should continue to be maintained by the University with a further review in three years.

759 Academic matters

759.1 Bid for Home Undergraduate Student Places: Student Number Control (SNC) 2012-2013 (BG 55/5)

Peter McCaffery reported that the University's successful bid for 544 'core and margin' places had been increased to 564 places and that the SNC target for 2012-13 had risen from 4590 (excluding students with Grade AAB or equivalent) to 4612.

The Board noted that this was very good news for the University.

759.2 British College of Osteopathic Medicine (BCOM)

The Vice Chancellor reported that BCOM's Board would be meeting in the very near future and was considered likely to accept the University's proposals.

760 Finance matters

760.1 Management information to 31 January 2012 (BG 55/6)

Pam Nelson reported that work was still in train to secure the net £3.6m of cost savings required for the current financial year.

760.2 Scenario planning update (BG 55/7)

Paul Bowler presented a report and reminded the Board that significant savings from the more effective management of the estate were still planned to come on stream from 2012/13.

760.3 Finance system capital budget request (BG 55/8)

The Board **approved** a capital budget request of £650k for a replacement finance system due to the impending withdrawal of support for the existing system. The Board noted that this was not dependent on the Shared Services initiative, although it was hoped that there would be some early benefit from the business process review.

761 Shared services initiative update (BG 55/9)

Paul Bowler reported that, after the Board papers had been issued, the procurement panel (of which he was not a member) had selected five bidders for competitive dialogue: AOI, BT Global, Capita, Xchanging and Wipro.

Rob Hull (Chair of the Shared Services Oversight Group) further reported that the Group had recently held its first meeting and had been satisfied with the rigour and proper conduct of the procurement process. It had identified possible litigation by unsuccessful bidders and provision of adequate management and other resource requirements within LMU as key risks to the project and intended keeping these under active scrutiny.

762 Estates matters – update on Jewry Street

Paul Bowler reported that the University had appointed Savills as its adviser.

763 Minutes of sub-committees (BG 55/10.1 to 10.3)

The Board noted the draft minutes of:

- Audit Committee, 23 January 2012
- Finance and Resources Committee 01 February 2012
- Governance Committee, 24 February 2012

764 Any other business

764.1 Minutes of the Audit Committee – 23rd January – Update on compliance with UKBA requirements

[Part of minute removed on ground of commercial sensitivity]

The meeting then closed.