
Board of Governors

**Minutes of the sixty-second meeting held on
Thursday 31 January 2013**

Present:

- Clive Jones – in the Chair
- Kathy Castle
- Katherine Farr
- Emir Feisal
- Malcolm Gillies – Vice-Chancellor
- Rob Hull
- Tony Millns
- Ann Minogue
- Daleep Mukarji
- Adnan Pavel
- Mark Robson
- Dianne Willcocks (until minute 844.1)

In attendance:

- Paul Bowler, Deputy Chief Executive
- Mark Crowhurst, Students' Union General Manager (for minute 841)
- Andy Downes, Programme Management Officer
- Mark Harris, Deputy University Secretary (Board)
- Peter McCaffery, Deputy Vice-Chancellor
- Pam Nelson, Director of Finance

Ayoola Onifade, Students' Union President (for minute 841)

Andy Shenstone, Capital Consulting

Alison Wells, University Secretary

Jonathan Woodhead, Executive Officer

834 Presentation by Professor John Gabriel

Professor John Gabriel, Dean of the Faculty of Social Sciences and Humanities (FSSH), gave a presentation before the commencement of formal business. A short question and answer session followed. The Board expressed its thanks to Professor Gabriel.

835 Apologies for absence

Apologies for absence were received from Maureen Laurie and Jawad Botmeh, the newly elected staff Governor.

836 Declarations of interest

The Board noted Mark Robson's interest as a member of the Board of HEFCE.

837 Minutes of the Previous Meeting (BG 62/1)

The minutes of the meeting held on 29 November 2012 were confirmed as a correct record.

838 BPR Overview

Paul Bowler introduced Andy Shenstone of Capita Consulting, who gave a brief presentation on the Business Process Redesign exercise currently being conducted. Governors were encouraged to hear that Capita were finding a high level of staff engagement with the exercise.

839 Matters Arising

839.1 LSBF (minute 822.1.2 refers)

The Board noted that it was not yet possible to give a final financial reconciliation and that this would be provided at its next meeting. Paul Bowler reported that the University was still enrolling for LSBF.

839.2 Returns to HEFCE (minute 826.1 to 826.3 refer)

The Board noted that:

- (i) following signature by the Chair and Vice-Chancellor on 12 December and by the auditors on 20 December, the financial statements for 2011/12 had been submitted to HEFCE in December; and
- (ii) other returns required by HEFCE, including the annual report of the Audit Committee, had been submitted to HEFCE by 3 December 2012.

839.3 Transfer of the Women's Library to LSE (minute 821.3 refers)

Alison Wells reported that negotiation of the transfer agreement and transitional services agreement had been concluded and the documents signed before Christmas. At LSE's request Pinsent Masons as lawyers for LSE were now leading the work of preparing an application for a Charity Commission Scheme in respect of the Women's Library endowment funds. The University was co-operating with Pinsent Masons in this exercise and it would be brought back to the Board for consideration.

839.4 Any other matters arising – intimidation of the student Governor

The Chair reported that Adnan Pavel had raised with him a concern about bullying and intimidatory behaviour he had experienced from University trade union officials, on the occasion of the University's tenth anniversary celebrations in December 2012, relating to information they had been given about discussions at the previous Board meeting. The Chair had written to the officials involved indicating that such behaviour was wholly unacceptable and that he would bring it to the attention of the Board. He further reported that the union officials had apologised to Adnan and that Adnan had accepted their apologies. The Chair therefore considered the matter closed.

840 Reports by the Vice-Chancellor and Chief Executive (BG 62/2 and 62/3)

The Vice-Chancellor introduced his general report to the Board and his quarterly report to HEFCE and the Board.

The Vice-Chancellor updated the Board about the Patron of the University and reminded Governors that the University and its predecessor institutions had enjoyed royal patronage since the 1850s. The Board **endorsed** the proposal that HRH the Duke of York should succeed HRH the Duke of Edinburgh as Patron of the University in April 2013.

The Vice-Chancellor also drew the Board's attention to his comments on union relations.

The Vice-Chancellor further reported that HEFCE had indicated that it was no longer necessary for him to submit quarterly reports. Nevertheless he wished to continue providing the reports as due diligence. Katherine Farr added that the quarterly reports to HEFCE were also helpful to members of the Audit Committee.

841 Students' Union constitution (BG 62/10 to 10.3)

The Board agreed to take this item of business next and welcomed Ayoola Onifade and Mark Crowhurst to the meeting.

Ayoola gave a general introduction and emphasised the benefits that were anticipated from adopting the new constitution. He expressed his strong belief that the Student Council under the current constitution lacked relevance to the real needs and concerns of the University's students.

Rob Hull outlined his role in supporting the process of discussion and consultation on the documents and noted the Board's legal obligation to secure an independent and properly constituted Students' Union. The Board had committed to this over two years ago, without much progress seemingly being made. With the impending Students' Union elections, a decision from the Board was time-critical if changes were not to be delayed for a further year. The Student Council had not been formally consulted, but they had been given the opportunity to comment on the documents. However, it was not a formal obligation to consult with Council, but rather with the Students' Union Executive. The University's Board of Governors should not, he suggested, be constrained by the

current situation and needed to drive this matter forward, as it was clearly in the interests of all students of the institution.

Adnan Pavel presented a 500-signature student petition against the proposed new constitution, suggesting that proper constitutional procedure had not been followed, resulting in students feeling frustrated because they had not had an influence over the drafting. He proposed that the documents should not be approved, but should be the subject of detailed review by the student body. The issue of payment for part-time officers was in his view particularly important.

Mark Crowhurst reported on the consultations that had taken place and on the changing constitutional nature of students' unions.

Rob Hull suggested that the Board consider its duty to the student body as being best served by approving in principle the proposed constitution and associated documents. He expressed his concern that a detailed review would take far too long, with little chance of achieving consensus.

Alison Wells expressed concern as to the appropriateness and suitability of the current election regulations and recommended to the Board that it should, at the very least, approve the proposed regulations for elections in order that it could have assurance that it was properly discharging its duty under the Education Act 1994. She also reported that she had shared with the Students' Union the legal advice provided by Veale Wasbrough Vizards (paper BG 62/10) and that the Union was responding very positively to the legal comments.

The Chair reminded Governors of the duty to which Alison had referred by reference to the wording in s.22(1) of the 1994 Education Act.

The Board, having considered the constitutional documents and related legal advice, and having reflected on the points made in debate, **resolved:**

- (i) To grant 'in principle' approval to the Memorandum and Articles of Association, Byelaws, and Relationship Agreement and Memorandum of Understanding, subject to final approval by the Board at its next meeting;
- (ii) That an ad hoc committee of the Board, consisting of Rob Hull, Ann Minogue, be asked to examine these documents, taking account of views expressed by student representatives, and report back to the Board at its next meeting;
- (iii) That the election regulations (contained in Byelaws 10 ("Annual

Elections”), 11 (“Election Regulations”) and 14 (“Officer Role Descriptions”)) be specifically approved and that the elections due in March 2013 be held under those regulations;

- (iv) That there was no objection to the Students’ Union using the University name when it applied for legal incorporation and subsequent registration as a charity;
- (v) That an interim Board of Trustees of the Students’ Union be appointed; and
- (vi) That Rob Hull be appointed a member of the Students’ Union’s Board of Trustees.

842 Report from the student Governor

Adnan Pavel had nothing to report that he had not previously said during the discussion on the Students’ Union constitution.

843 Confidential update on UKBA matters (BG 62/4)

Paul Bowler presented a report and added that in preparation for the judicial review hearing a request for disclosure had been made to the Treasury Solicitor.

The Board confirmed its support for actions currently under way.

844 Actions under the Nine-Point Action Plan (BG 62/5.1 to 5.9)

The Vice-Chancellor gave a general introduction and referred to his general overview of progress. He suggested that a good start had been made, but that some difficulty was being experienced in attempting to capture the timing and extent of the financial savings. This arose partly because of the interconnected nature of the various strands from which it was hoped to identify savings and partly because of a lack of institutional experience in this sort of exercise.

Dianne Willcocks reported that Professor Stephen Perkins had given a presentation to the Academic Strategy Committee earlier in the week. An extensive discussion had followed during which the Committee had questioned him in detail about his plans for LMBS and related matters.

The Board noted the progress being made on all matters, agreed that UCU should be invited to participate in talks about Academic Staff Contracts Redesign, and looked forward to seeing the 'dashboard' type of progress report being developed by Andy Downes.

844.1 Estates matters (BG 62/5.6 and 5.6.1)

Paul Bowler presented the Estates Master Plan review, which had been considered by the Finance and Resources Committee at its additional meeting in January. [REDACTED]

[REDACTED]

The Board **approved** the recommendations in the paper, subject to appropriate reporting back to the Board.

Paul Bowler also presented a recent letter from Sir John Cass's Foundation indicating a willingness to negotiate over the University's lease on the Jewry Street building. The Board noted that Governors were due to meet the Foundation again in mid-February. The Board **authorised** continued negotiations, subject to reporting back to the Board.

845 Strategic Plan Working Group (BG 62/6)

The Board noted the Working Group's membership and terms of reference and the minutes of its meeting on 22 January.

846 Financial forecast revision (BG 62/7)

Pam Nelson reported that the forecasts were usually updated at this point in the year and that the latest revised forecast showed a considerable improvement on the position in November. She drew attention to the forecast cash position, which, in an otherwise positive trajectory, showed a net outflow from operating activities of £960k in 2013/14. This indicated a need to meet Action Plan targets in order to reduce that cash outflow. Moreover, estimated capital investment needs could not currently be met from operating cash generation, leaving the University reliant on the proceeds of asset sales to fund capital investment. This might, however, change after 2015, when the University's external borrowings (other than amounts owed to HEFCE) had been repaid.

The Board noted the revised financial forecasts and **approved** them for the purpose of setting financial performance indicator targets with HEFCE.

847 Management information to 31 December 2012 (BG 62/8)

The Board noted the most recently available management information.

848 Performance monitoring indicators (BG 62/9)

The Board considered and **approved** the proposed monitoring indicators and targets, to be used to agree Action Plan monitoring with HEFCE.

849 Risk Management report (BG 62/11)

Katherine Farr as Chair of the Audit Committee introduced a report prepared by Sean Connolly. She also reported on a recent meeting of the Audit Committee's subcommittee on risk. The Vice-Chancellor also reported on the productive discussion that had taken place at the last meeting of the University's Risk Committee.

After due consideration the Board agreed the revised Statement of Risk Appetite, the Risk Management Strategy and the Risk Management Policy.

850 Voluntary redundancy scheme (BG 62/12)

The Board considered and **approved** the proposed scheme.

851 Closure of India Office - additional formalities (BG 62/13)

The Board noted that the Indian authorities required additional formalities to be completed, and that these included the granting of a power of attorney and the executing of documents under seal, both of which required the authorisation of the Board in accordance with the University's Articles of Association.

The Board **resolved**:

1. That the Vice-Chancellor be authorised to grant a power of attorney in the terms sought; and
2. That the University seal be applied to the documents as requested by the University's advisers in India.

852 Any other business

852.1 Publication of Board minutes (tabled paper BG 62/14)

Tony Millns as Chair of Governance Committee reported on a discussion that had taken place at the Committee's meeting earlier in the week. The Board considered the merits of longer and shorter publication dates and **resolved** that Board minutes should routinely be published on the University's website one year after the date of the Board meeting.

The Board also considered that ultimately it might move to publication at six months after a Board meeting, but that the time was not yet right for this. The Board therefore **requested** the Governance Committee to keep the matter under review.

852.2 Catering contract (tabled paper BG 62/15)

The Board noted developments to date and the proposed next steps.

852.3 Honorary degrees

Tony Millns as Chair of Governance Committee reported on a discussion that had taken place at the Committee's meeting earlier in the week. The Board agreed that it would be appropriate to resume the awarding of honorary degrees, the intention being to award them next at the ceremonies in July 2014.

852.4 Vice-Chancellor's honour

The Board warmly congratulated the Vice-Chancellor on his appointment as a member of the Order of Australia, which had been announced in the 2013 Australia Day honours list. The Board was pleased to note that the award had been made for "significant service to tertiary education through leadership roles, and to the humanities, particularly as a scholar of musicology".

853 Date of next meeting

Thursday 14 March 2013 at 5pm.

The meeting then closed at 8.48pm

Certified to be a true record:-

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Chair, 14 March 2013

Sixty-second Meeting of the Board of Governors, 31 January 2013

Action Sheet

Minute

Action

By