



**Board of Governors
24 July 2014**

**Minutes of the seventieth meeting held on
Thursday 24 July 2014**

Present

Clive Jones - in the Chair
Emir Feisal
Malcolm Gillies – Vice Chancellor
Rob Hull
Anthony Millns
Ann Minogue
Daleep Mukarji
Obie Opara
Mark Robson
Cathy Sullivan
Dianne Willcocks

In attendance

Lynn Burke, Director Office of Institutional Effectiveness
Paul Bowler, Deputy Chief Executive
Peter McCaffery, Deputy Vice-Chancellor
Pam Nelson, Director of Finance
Sharon Page, Interim University Secretary and Clerk to the Board
John Raftery, Vice-Chancellor Elect
Christopher Sarchet, Director of Strategic Programmes Office
Jonathan Woodhead, Executive Officer
Peter Garrod, University Secretary Designate

1 Welcome and apologies for absence

The Chair Welcomed Obie Opara to his first Board meeting as Student Governor having taken over as Student Union President.

He also welcomed John Raftery, Vice Chancellor Elect and Peter Garrod, University Secretary Designate, who were both in attendance.

Apologies had been received from Kathy Castle, Katherine Farr, Maureen Laurie and Michael Murphy.

2 Declaration of interests

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

3 Minutes of previous meeting (BG 70/3)

The minutes of the meeting held on 27 March 2014 were confirmed as a correct record subject to one amendment. Cathy Sullivan stated that, in relation to Agenda Item 12 and the discussion of the sale of Commercial Road, she and Jason Jackson had referred to their desire to see a development that included affordable housing, not a developer committed to social justice.

4 Matters arising not covered elsewhere on the agenda

There were no other matters arising.

5 Vice-Chancellor's reports

5.1 The Board received for information the Vice-Chancellor's General Report to the Board (BG 70/5.1).

Malcolm Gillies reported that he had had a highly valuable hand over period with the Vice Chancellor Elect and hoped that this would enable John Raftery to be as effective as possible when he took over formally on 1 August 2014.

He also drew the Board's attention to the changes that were being planned in the Academic Registry following an external review. An effective Academic Registry would be crucial to the University moving forward and he proposed that Graham Taylor-Russell, Dean of Students and Academic Registrar should be invited to attend the next Board meeting to advise Governors of the

changes taking place.

Action: University Secretary

US

The HEFCE Assurance Review visit, a deferred follow up visit to their initial Assurance Review which was conducted in 2011, was now due to take place in October on a date to be agreed. As well as looking at issues covered by the quarterly reports [REDACTED] the Assurance Review would also look at governance arrangements and how they had settled down since 2010. They were likely to raise a series of governance-related questions and look at the Effectiveness Review and its implementation.

s.43(2) FOIA - commercially sensitive

A decision still remained outstanding regarding the University's Highly Trusted Status with regard to recruiting international students. The University remained in close contact with the UKVI and continued to press for a timely decision.

Government continued to focus on international students and one of the benchmarks used to measure a university's fitness to be accorded Highly Trusted Status – the visa refusal rate – was to be moved from 20% to 10%. As the average refusal rate across the sector was 8%, with a range between 0.1% and 17%, the outcome of this could put a significant proportion of universities at risk. Academic attainment levels were also under review.

Tony Millns observed that the University was caught up in a much wider sector issue, in particular UKVI's focus on private colleges. The major risk was that this would have a negative impact on the UK's reputation as a destination for international students generally.

The Board acknowledged that international recruitment would continue to be a significant issue for the University. John Rafferty agreed to keep Governors briefed of any developments over the summer and it was agreed that Ros Martin, Director of the International Office, should be asked to be on standby to attend the next Board meeting.

Action: University Secretary

US

Finally, as part of the Vice-Chancellor's report, a paper was tabled seeking Governors' approval to the proposal to adopt the trading sub-brand *London Guildhall Faculty of Business and Law* with effect from 1 August 2014. The Board approved the proposal and noted that the trading sub-brand would be phased in during the

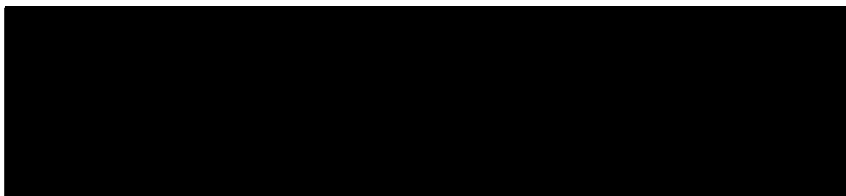
course of 2014-15 to avoid confusion.

- 5.2 The Board received for information the Vice-Chancellor's Quarterly Report to HEFCE and the Board. (BG 70/5.2)

6 Student Governor's report

- 6.1 The Board received for information the Student Governor's Report to the Board and noted the outcome of the Student Union elections for 2014-15 (BG 70/6.1).

Obie Opara reminded Governors that the Students' Union election results had been delayed due to irregularities identified with the online voting process. However, the problems were ultimately resolved and all sabbatical officers were now in place. The Union's hub-based governance structure was designed to make elected officers as accessible to students as possible.



s.36(2)(c) FOIA - likely to prejudice the effective conduct of public affairs

The Student Union Awards event, held in the Rocket, had been a great success with over 200 attendees.

Finally he was pleased to report that the Union was now an accredited London Living Wage Employer and was actively working towards achieving a Green Impact Award.

Dianne Willcocks welcomed the Union's growing willingness to work collaboratively with the University and was particularly pleased to note its involvement in planned induction activity for 2014.

7 Strategic Items

7.1 Strategic Planning

- 7.1.1 The Board noted the report from 1 May 2014 Strategy Day (BG 70/7.1.1)
- 7.1.2 The Board also received a report and recommendations setting out a proposed process and timetable for developing the Strategic Plan 2015 to 2020. (BG 70/7.1.2)

John Rafferty presented the report which had been developed jointly by the senior management team. The aim was to proceed with an open and inclusive process and to use the creation of the new Plan to bring staff together and give them a sense of common purpose.

He understood that, following on from the Effectiveness Review, the Board had agreed to set up a Strategy Committee to take forward development of a new plan from 2015. However, the proposal now was that the whole Board was to be involved in the process to develop the new Plan meaning that a Strategy Committee would no longer be needed.

The process proposed involved the development of a 'Stimulus Paper' during August 2014 overseen by a Strategic Plan Steering Group, the terms of reference for which were being developed. The Stimulus Paper would be released in mid-September for wide-ranging consultation leading to a Green Paper which would be developed by Governors at a Strategy Day to be held in November. This would lead to a White Paper, which would effectively be a draft Strategic Plan and would be published in January 2015 for final comment. The final draft Plan would then be considered for approval by the Board in April 2015.

Ann Minogue welcomed the proposals, but was concerned that Governors were being involved too late in the process. Clive Jones agreed and proposed that the timescale for the release of the Stimulus Paper should be delayed slightly to allow for a 45 minute discussion at the September Board meeting. Otherwise, he also welcomed the inclusion of the full Board in the Strategy development process.

The Board therefore agreed that they would input into the Stimulus Paper at the September Board meeting and into the Green Paper at a Strategy Day to be held in November. The Board would then consider the final Strategic Plan for approval in April 2015. Governors would also input fully into the wider consultation exercise. On that basis it was agreed that a Strategy Committee was no longer needed.

7.2 Met2020

- 7.2.1 The Board received a report on the Met 2020 Project (BG 70/7.2.1).

Peter McCaffery reminded the Board that they had delegated authority to the Met2020 Steering Group to lead on the project.

The Group had established an operating framework and invited bids for projects designed to deliver improvements in the University's core activities.

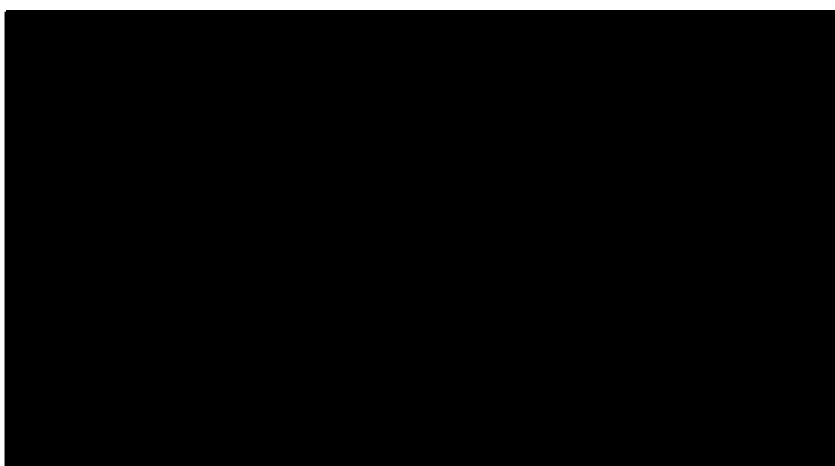
The volume of bids received had been encouraging. The first round of bids had been focussed on quick wins for September 2014 and the second round had resulted in 26 bids being approved for longer term projects.

Rob Hull, Chair of the Steering Group, observed that the process was generating a lot of interest and appeared to be having an impact on culture. Emir Feisal, as Chair of the Business Approval Panel, also felt the process was acting as a good catalyst for ideas. John Raftery advised that he would wish to continue to see a good degree of internal completion moving forward, especially as resources were so stretched.

8 2014-15 Budget and Financial Forecasts to 2016-17

- 8.1 The Board received a report on student numbers and recruitment for 2014-15 with details of the logic/assumptions in the draft budget and forecasts and the approach to scenario planning. (BG 70/8.1)

Pam Nelson and Lynn Burke gave a presentation of the key financial and student recruitment data underpinning the draft budget and financial forecasts.



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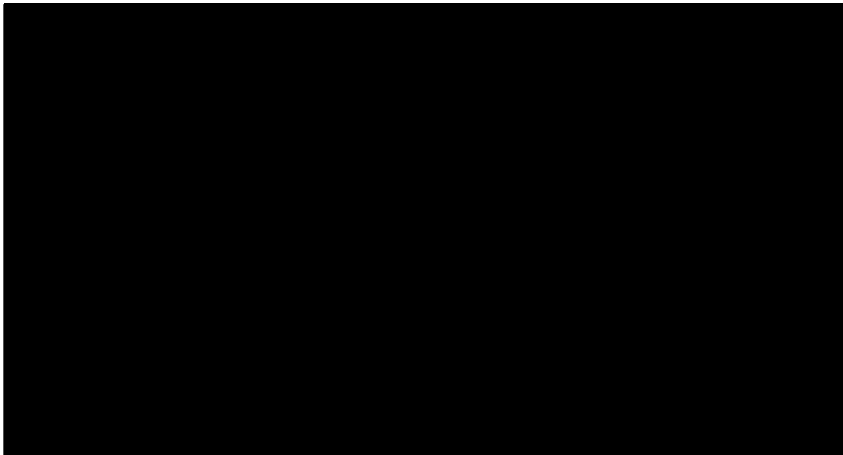
Lynn Burke then advised the Board of the assumptions that had been made with regard to student recruitment. Totally accurate forecasting of student recruitment figures was always a challenge, but the OIE team worked very closely with the Deans to ensure that recruitment targets were as accurate as possible. She had also been working very closely with Pam Nelson to identify key

trigger points during the recruitment process where the budget could be reviewed and action taken should recruitment fall short of target.

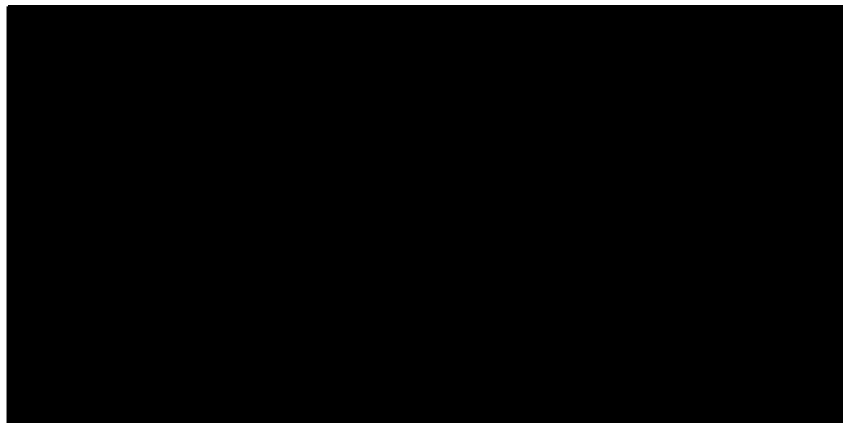


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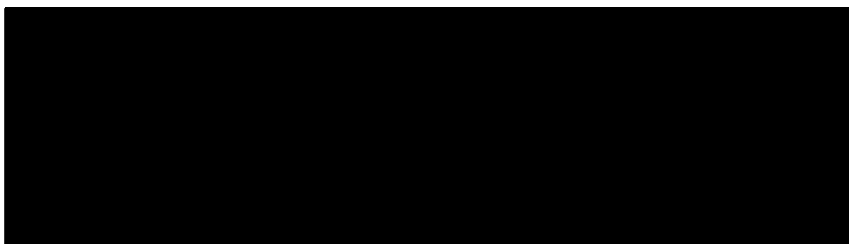
8.2.1 In the context of the recruitment targets set and the scenario planning work carried out to date, the Board were asked to approve the Revenue and Capital Budgets for 2014-15 and associated Financial Performance Indicators (BG 70/8.2.1) as recommended by Finance and Resources Committee.



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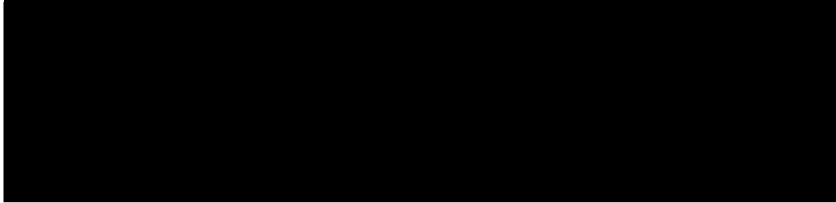
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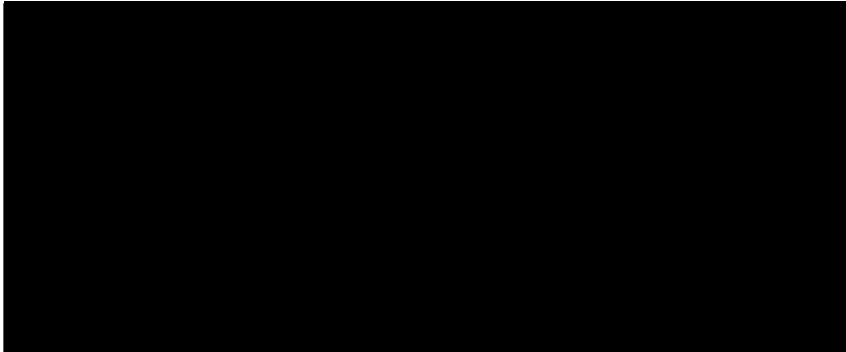
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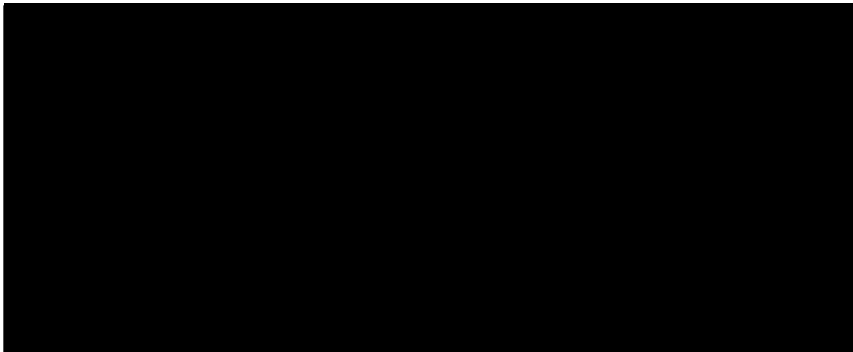
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The Board therefore agreed to approve the Revenue and Capital Budgets for 2014-15 and associated Financial Performance Indicators as recommended by Finance and Resources Committee. Peter McCaffery confirmed that he would report to Governors as usual during Clearing and also agreed to circulate to Governors a paper setting out the key trigger points during the Clearing process.

Action: Peter McCaffery

PMc

8.2.2 In the light of the discussions regarding the budget, the Board also approved the Financial Forecasts to 2016-17 for submission to HEFCE (BG 70/8.2.2).

8.3 The Board noted the Financial Benchmarking data supplied which served to reinforce the discussions regarding the budget and financial forecasts.

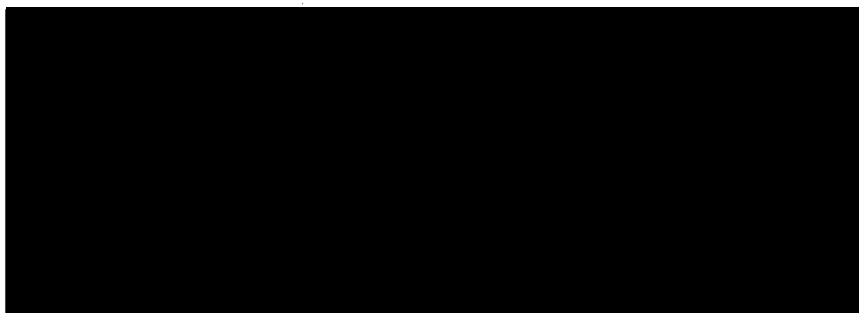
9 Risk Management

9.1 Christopher Sarchet introduced a report to the Board which brought them up to speed with current risk management policies and processes. In particular, he advised Governors that the plan was to review risk management again in the light of the new Strategic Plan being developed, in particular the Board's appetite for risk. The Board endorsed this approach and the proposal that a new risk management policy and strategy should be developed alongside the new Strategic Plan.

10 Operational Reports

10.1 Deputy Vice-Chancellor's Report

10.1.1 The Board received for information the Deputy Vice-Chancellor's report to the Board (BG70/10.1.1).

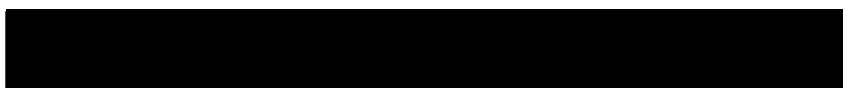


s.43(2) FOIA - commercially sensitive

He assured the Board that the best possible arrangements were in place for Clearing, although it would be a challenge. In response to Cathy Sullivan's question, he confirmed that Clearing practices were constantly evaluated to ensure that lessons were learned and best practice followed.

10.2 Deputy Chief Executive's report

10.2.1 The Board received for information the Deputy Chief Executive's report (BG70/10.2.1).



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10.2.2 The Board approved the 2% pay award for 2014-15 which UCEA had negotiated nationally with the unions and which had been approved by Executive Group.

10.3 Finance Director's report

10.3.1 The Board received for information the Director of Finance's report to the Board (BG70/10.3.1). She advised that a detailed analysis of the Memorandum of Assurance and Accountability would be presented to the next Finance and Resources Committee.

10.3.2 The Board approved the changes to Accounting Policies and Financial Indicators 2014/15 as recommended by Finance and Resources Committee (BG70/10.3.2).

10.3.3 The Board approved the winding up of London Metropolitan Enterprises Ltd as recommended by Finance and Resources Committee (BG70/10.3.3).

10.4 University Secretary's report

- 10.4.1 The Board received for information the University Secretary's report to the Board (BG70/10.4.1).

The Chair adjourned the Board meeting and convened a General Meeting.

- 10.4.2 In the Governors' capacity as members of the University the Board considered a Special Resolution to adopt the new Articles of Association with effect from 1 August 2014 (BG70/10.4.2).

Mark Robson queried the approval process and expressed concern as to whether further approval would be required from the Privy Council even if the Board adopted the revised Articles in General Meeting.

Sharon Page advised that the last time the Board had adopted revised Articles it had done so subject to Privy Council approval. This time round the Privy Council and the Charity Commission's consent had been obtained prior to formal adoption by the Board in General Meeting and these consents were contained in the Board papers. In her opinion no further consent from the Privy Council was needed.

She further advised the Board that three proxies voting in favour of adoption had been received from absent Governors and the fourth proxy had appointed the Chair to vote on her behalf. Therefore the General Meeting was quorate.

Tony Millns as Chair of Governance Committee recommended the new Articles to the Board.

The Chair asked for a show of hands in favour of the Special Resolution to adopt the revised Articles. All Governors voted in favour other than Cathy Sullivan who abstained. She expressed concern that there should be greater staff representation on the Board and that the revised Articles gave the Board too much discretion on key matters such as the role of Academic Board.

The Board therefore resolved that, having received the consent of the Privy Council under section 129B of the Education Reform Act 1988 (as amended), the draft regulations set out in the Board papers should be approved and adopted, with effect from 1 August 2014, as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

The General Meeting ended and the Board reconvened.

The Independent Governors then considered and unanimously approved a resolution to re-designate the Co-Opted Governors as Independent Governors with effect from 1 August 2014.

They resolved that:

- 1 Ann Minogue, Professor Dianne Willcocks and Michael Murphy, being Co-opted Governors under the Existing Articles and meeting the relevant criteria for appointment as an Independent Governor, be re-designated as Independent Governors with effect from 1 August 2014.
- 2 Ann Minogue, Professor Dianne Willcocks and Michael Murphy continue in office subject to the provisions of the new Articles, their prior periods of service as Co-opted Governors counting towards their periods of service as Independent Governors under the new Articles.
- 3 At the first meeting of the Board held in accordance with the new Articles:
 - 3.1 the Independent Governors and the Board would be asked formally to ratify the appointments made in accordance with these resolutions; and
 - 3.2 the Board would be asked to do all such further acts, if any, as may be reasonably necessary to perfect the appointments of Ann Minogue, Professor Dianne Willcocks and Michael Murphy as Independent Governors of the University.

10.4.3 The Board noted progress on implementation of the Governing Body Effectiveness Review and considered recommendations from Governance Committee on number of implementation initiatives (BG70/10.4.2).

Tony Millns advised the Board that Governance Committee had considered the recommendations of the Effectiveness Review in detail and the policies and procedures being presented to the Board for approval would ensure that the vast majority of the Effectiveness Review recommendations would now be implemented with the remaining recommendations going to the next Governance Committee for discussion and then subsequently submitted to the Board for approval.

The Board considered and, on Governance Committee's recommendation, approved and adopted:

- a Policy and Procedure on Communications;
- an updated Policy and Procedure on the use of the Governors' skills matrix and Governor appointment process;
- an updated Governor Induction and Development Policy and Process; and
- a Statement of the Board of Governor's Primary Responsibilities.

The Board also agreed to give feedback on the new Agenda format.

Cathy Sullivan expressed concern about the items being presented to the Board for approval. She felt that the publication version of the Effectiveness Review assumed too much prior knowledge and was concerned that the Communications Policy and Procedure would undermine the Board's policy on published Board minutes, although she was assured by Sharon Page that the new policy would in fact enhance existing arrangements. She also expressed concern that the new appointments process could potentially be extended to staff and student governors.

- 10.4.4 The Board approved the revised Student Disciplinary Regulations and Fitness to Study Regulations (BG70/10.4.4) and revoked the Interim Disciplinary Procedure 2012/13 and revoked the Student Mental Health Policy dated July 2005.

11 Any other business

As this was Malcolm Gillies' last meeting before retiring as Vice-Chancellor, Clive Jones thanked him for his significant contribution to the University during a particularly difficult time and wished him and his partner much success and happiness in the future.

12 Minutes for and other items for information

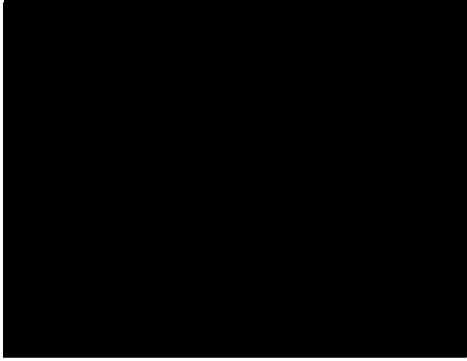
The Board received, for information:

- 12.1 Minutes of Academic Board of 16 June 2014 **(BG 70/12.1)**
- 12.2 Minutes of Audit Committee of 25 February 2014 **(BG 70/12.2)**
- 12.3 Minutes of Finance and Resources Committee of 25 June 2014 **(BG 70/12.3)**
- 12.4 Minutes of Governance Committee of 29 April 2014 **(BG 70/12.4)**
- 12.5 Minutes of Health and Safety Assurance Group of 15 April 2014

(BG 70/12.5)

13 Date of next meeting

25 September 2014



s.40(2) FOIA - personal data

Seventieth Meeting of the Board of Governors, 24 July 2014

Action Sheet

Minute	Action	By
5.1	To invite Graham Taylor-Russell, Dean of Students and Academic Registrar to attend the next Board meeting to advise Governors of the changes taking place in the Academic Registry.	Sharon Page
5.1	To invite Ros Martin, Director of the International Office, to be on standby to attend the next Board meeting.	Sharon Page
8.2.1	To report to Governors as usual during Clearing and to circulate to Governors a paper setting out the key trigger points for budget review purposes during the Clearing process.	Peter McCaffery

