

**Board of Governors
25 September 2014**

**Minutes of the seventy-first meeting held on
Thursday 25 September 2014**

Present

Mr Clive Jones - in the Chair
Professor Kathy Castle
Mr Emir Feisal
Mr Rob Hull – Vice-Chair
Mr Anthony Millns
Ms Ann Minogue – Vice-Chair
Mr Daleep Mukarji
Mr Michael Murphy
Mr Obie Opara – President, Students' Union
Professor John Raftery – Vice Chancellor
Mr Mark Robson
Dr Cathy Sullivan
Professor Dianne Willcocks

In attendance

Ms Lynn Burke, Director Office of Institutional Effectiveness
Mr Peter Garrod, University Secretary and Clerk to the Board
Professor Peter McCaffery, Deputy Vice-Chancellor
Ms Pam Nelson, Director of Finance
Dr Christopher Sarchet, Director of Strategic Programmes Office
Mr Jonathan Woodhead, Executive Officer

1 Welcome and apologies for absence

Apologies had been received from Mr Paul Bowler, Deputy Chief Executive; Ms Katherine Farr; and Ms Maureen Laurie.

The Board **noted** that this would be the last meeting to be attended by Mr Mark Robson, who was retiring after four years' service as an Independent Governor, including service for part of that time as Vice-Chair. The Board **noted** its thanks and appreciation to Mr Robson for his service to the Board and the University.

The Vice-Chancellor informed the Board that since the reports on the Board's agenda had been written, the University had been informed by UKVI that its application for Highly Trusted Sponsor status (HTS) had been successful. A communications plan relating to this was being developed. An all-staff email informing staff of this positive development was tabled for the Board's information. The Board **noted** its satisfaction at this positive development and **noted** the substantial time which the Vice-Chancellor had invested in dealing with UKVI and the Home Office.

2 Declaration of interests

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

3 Nominations and appointments

3.1 The Board and the Independent Governors:

- **ratified** the appointment of Ms Ann Minogue, Professor Dianne Willcocks and Mr Michael Murphy as Independent Governors, in accordance with the resolution of the Independent Governors at the last meeting of the Board of Governors; and
- **confirmed** that those Governors and all other Governors shall continue in office on their existing terms of office.

3.2 The Board **approved**, on the recommendation of the Governance Committee:

- the appointment of Mr Michael Murphy to the Audit Committee and the Health and Safety Assurance Group; and

- the appointment of Mr John Duke as a co-opted member of the Finance Committee (transferring his membership from the Audit Committee).

3.3 Mr Hull took the chair and called for nominations for the Chair of the Board of Governors. Mr Jones was nominated and seconded; no other nominations being received, Mr Jones was declared elected Chair of the Board of Governors for 2014-15.

Mr Jones resumed the chair and called for nominations for the two Vice-Chair positions. Mr Hull and Ms Minogue were nominated and seconded; no other nominations being received, Mr Hull and Ms Minogue were declared elected Vice-Chairs of the Board of Governors for 2014-15.

4 Minutes of previous meeting (BG 71/4)

The minutes of the meeting held on 24 July 2014 were **approved** subject to the following amendments:

- item 3: amend the final sentence to delete “not a developer committee to social justice”;
- item 8.1: amend “2019-17” to “2016-17”.

5 Matters arising not covered elsewhere on the agenda

With respect to the actions from the last meeting, the Board **noted** that:

- once the new Strategic Plan was in place, the Vice-Chancellor intended to launch a number of follow-on reviews, including reviews of governance structures and operational areas. The report from the Dean of Students and Academic Registrar would be postponed until that had taken place;
- as international student recruitment was covered in the reports from the Director of the Office of Institutional Effectiveness and the Vice-Chancellor, it had not been necessary to have the Director of the International Office in attendance;
- regular updates on Clearing had been circulated to the Board by the Deputy Vice-Chancellor, and the Board’s papers included a reforecast of income and expenditure in light of projected student recruitment.

With respect to the financial forecasts to 2016-17 which had been considered at the last meeting, it was **agreed** that the Director of Finance should clarify when the clawback of grant from HEFCE

was due to end and report that back to the next meeting.

Director of
Finance

Action: Director of Finance

6 Vice-Chancellor's reports

- 6.1 The Board **received** for information the Vice-Chancellor's General Report to the Board (BG 71/6.1). Members **noted** their concern over the findings of the recent staff stress and wellbeing survey, and **noted** that the Vice-Chancellor would lead the task and finish group that would respond to the survey. It was **agreed** that the Vice-Chancellor would report back to future meetings on progress once the working group had been convened.

Action: Vice-Chancellor

VC

- 6.2 The Board **received** for information the Vice-Chancellor's Quarterly Report to HEFCE and the Board (BG 71/6.2), an updated version of which was tabled at the meeting. The Vice-Chancellor reported that he had informed HEFCE about the success of the University's application for HTS, which had come too late to be reflected in the report.

7 Student Governor's report

- 7.1 The Board **received** for information the Student Governor's Report to the Board (BG 70/6.1). In discussion, members **noted** that:

- the Student's Union was seeking an alumnus as a trustee, preferably a recent graduate who understood the current context of the University. It was suggested that an all-staff email to elicit suggestions might be helpful;
- the review of the University's statutory Freedom of Speech Code of Practice with the University Secretary's Office was a routine review rather than being prompted by any specific issue. The revised Code of Practice would come back to the Board to approve in due course.

Action: University Secretary

University
Secretary

8 Strategic Items

8.1 Strategic Plan

- 8.1.1 The Board **considered** a 'Stimulus Paper' from the Vice-Chancellor (BG 71/8.1.1) intended to initiate the development of

the Strategic Plan 2015-2020. The Board was reminded of the timeline that had previously been set out for the strategic planning process. Consultation on the Stimulus Paper would be followed by the publication of a 'Green Paper' which would be discussed at the Board's Strategy Day on 15 December. Following the end of the consultation period on the 'Green Paper', a 'White Paper' (draft Strategic Plan) would be published in February 2015, with the finalised Strategic Plan going to the Board in April 2015 for approval.

The Vice-Chancellor explained that the Stimulus Paper was intended to initiate a dialogue with staff, students and relevant stakeholders that would culminate in a settled view of the University's way forward, embodied in the new Strategic Plan. The paper began by sketching the changing context in which the University operated and the main challenges and drivers for change. The latter included the shift from direct grant funding to funding that followed the student; the rise of alternative providers; the increase in the number of student places, which allowed successful and popular universities to expand their intake; the role of published metrics like the National Student Survey and league tables in driving student choice; and the need to generate surpluses to fund capital and academic investment. The Stimulus Paper then proposed a series of guiding principles for the development of the new Strategic Plan. These included regulatory compliance; ensuring that the 'student voice' was heard, that students received adequate information, and that enhancing the quality of students' academic experience was at the core of the University's activities; the need to critically assess the University's mission, and to reinvigorate connections with local communities; and the need to continue financial discipline, coupled with a willingness to make tough decisions essential for the institution's sustainability. Finally, the Stimulus Paper posed a series of questions designed to elicit feedback and assist in drafting the 'Green Paper'.

The following points were **noted** in discussion:

- the Stimulus Paper built on the Port Report and Met2020, but was not intended to suggest a particular way forward for the University. Rather, it was intended to start a conversation about the institution's future and to 'take the pulse' of the University, with a series of questions designed to focus discussion in the run up to the development of the 'Green Paper';
- the technological context in which students engaged with learning was changing rapidly. Technology enabled shifts in the patterns and timings of how students engaged with learning.

The trend towards more part-time and flexible learning was likely to be encouraged by a greater emphasis on vocational learning in public policy;

- it was important that the University took the initiative in presenting a positive public narrative of how London Met was changing, including the restoration of HTS, the commencement of a new Vice-Chancellor, Met2020 and the initiation of a dialogue about the future of the institution. Members **noted** that an interview between the Vice-Chancellor and Times Higher Education would take place shortly, and members encouraged the development of a proactive communications plan to include social media;
- the development of the University's new strategic plan would need to connect to the review of the undergraduate curriculum;
- although there were many examples of staff links with local communities, the 'guiding principles' in the Stimulus Paper emphasised the need to develop better student links and to enhance the contributions students could make, e.g. through volunteering;
- employability was a key driver in student choice and an area where the University's recent performance, as measured in the DLHE survey, had been disappointing. Improving employability should also be regarded as a 'guiding principle' in the development of the new Strategic Plan;
- it was right to ask provocative questions such as whether the mission of the University was affordable in the current environment. There were positive stories that could be told about the institution's history which could help in recasting the University's identity;
- the Green Paper should include consideration of partnerships, and how far these could be based on co-operation rather than competition. The University should be open to partnerships that achieved its strategic objectives and enabled things that LMU could not do itself.

The Vice-Chancellor concluded by explaining that the Board's feedback as well as feedback from the University community would contribute to the preparation of the 'Green Paper', which would be prepared as a team effort among the executive and would present a more channelled set of propositions. All submissions over the course of the consultation would be published and anonymous submissions would not be permitted. As the wider HE context continued to change, the Strategic Plan would need to provide flexibility to manoeuvre in the short to medium term.

8.1.2 The Board **received** an update on progress against actions in the

current Strategic Plan (BG 71/8.1.2), which noted where actions had been completed, were underway or were no longer required. With respect to the action related to improving academic staff utilisation (item 23), it was **noted** that this was the subject of a report later on the agenda (at item 8.4.4) and was being monitored by the Finance and Resources Committee, so its status should change from 'no longer required'.

Director of
SPO

Action: Director of the Strategic Programmes Office

It was **noted** that there was a relationship between student satisfaction and contact with academic staff outside formal teaching, and that it had been established at the University that academic staff office hours were additional to those allocated to formal teaching.

8.2 Key performance indicators

8.2.1 The Board **considered** proposed non-financial KPIs for use in reporting to HEFCE (BG 71/8.2.1). It was **noted** that the KPIs addressed a recommendation of the Board effectiveness review, and that it was intended to provide an update to every meeting showing how KPIs had changed in the interim. In discussion, members **agreed** that:

- additional explanatory narrative on key metrics like the DLHE would be helpful;
- it would be useful to see statistics on in-year completion (i.e. reflecting students who left before taking their end of year exams) as well as progression from years 1 to 2 and 2 to 3;
- breakdowns by ethnicity, gender and age would be useful given the University's demographic makeup.

Director of
the OIE

Action: Director of the Office of Institutional Effectiveness

The Board **noted** that while the nature of the University's student population might account for some of the University's performance in published metrics, the media and compliers of league tables were not interested in explanatory analysis. It was important that the University ensured that its curriculum and processes were optimised to reflect the nature of its student intake. Equally, the collection of data within the institution should be carried out to optimise the University's performance in published metrics.

8.3 Student numbers and recruitment

8.3.1 The Board **received** a report on student numbers and recruitment for 2014-15, including an assessment by faculty of performance against targets. Members **noted** that Clearing was still ongoing, that there was uncertainty about the number of returning students who would re-enrol, and that final enrolment numbers would not be known until mid-October. [REDACTED]

[REDACTED]

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The Board **agreed** that members should be updated on final student numbers for 2014-15 when they became available, including new entrants and returning students.

Action: Director of the OIE

Director of
the OIE

It was **noted** that the restoration of Highly Trusted Status provided opportunities for future growth in international foundation programmes and in study abroad. The latter was a largely untapped market for LMU, although some re-engineering of the academic calendar would be required to make LMU more attractive to study abroad students. It was **noted** that the University's executive was focussed on improving retention and that the Deans had been tasked with developing retention action plans for their faculties. Work was also underway by the Office of Institutional Effectiveness (OIE) to develop reporting tools to identify students who were at risk of dropping out so that early interventions could be put in place.

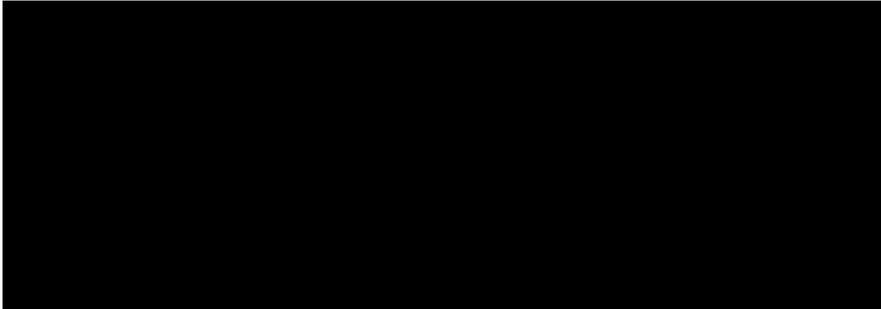
8.4 Financial sustainability

8.4.1 The Board **received** a report from the Director of Finance on the draft outturn for 2013-14 (BG 71/8.4.1). Members **noted** that the operating deficit after the FRS interest charge was forecast to be better than expected (£1.1m versus a budgeted deficit of £2.1m). The doubling of the FRS17 notional interest charge from that in 2012-13 underscored the financial risk that pensions placed on the University.

8.4.2

[REDACTED]

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The Board **agreed** that members should be updated on the budgetary implications of under-recruitment once student numbers for 2014-15 were finalised.

Action: Director of Finance

Director of
Finance

Members **noted** that in the current environment it was not sufficient for the University to break even. The University had to move to a position where it generated regular surpluses to support additional costs, such as those relating to pension deficits, as well as necessary academic investment and investment in the estate.

8.4.3 The Board **received** a discussion paper on staff costs as a percentage of income, which had previously been considered by the Finance and Resources Committee (FRC) (BG 71/8.4.3). The Board **noted** that:

- the University's staff costs as a percentage of income were the fifth highest in the sector (62%) in 2012-13, using benchmark data published by HEFCE. Reduction of staff costs as a percentage of income was one of the University's KPIs agreed with HEFCE. While that target had been achieved, moving staff costs towards the sector average would improve the University's financial sustainability;
- FRC had requested an analysis of the number of teaching hours required and how that was provisioned in a faculty, taking the Faculty of Social Sciences and Humanities (FSSH) as an example;
- there was a disconnect between the University's high staffing costs and its institutional performance in published performance metrics such as the NSS and the DLHE.

The Board **agreed** that it should receive a further update once the analysis in FSSH had been carried out.

Action: Director of Finance and Director of Human Resources

Director of
Finance &
Director of HR

- 8.4.4 The Board **received** a discussion paper on the methodologies for calculating academic staff productivity (a performance indicator recommended by the Port Report), which had previously been considered by the Finance and Resources Committee (FRC) (BG 71/8.4.4). The Board **noted** that a benchmarking exercise had been commissioned from Tribal, the results of which were expected to be available in February 2015.
- 8.4.5 The Board **received** an update from the Deputy Vice-Chancellor on progress on Met2020 (BG 71/8.4.5). The Board **noted** that a total of 46 bids had been approved in the three rounds to date, amounting to a total investment of ca.£6.15m in the academic years 2013-14 to 2015-16. Members were assured that the bid development and approval process were working well and had good engagement from the faculties, although it was too early to assess the outcomes. It was **noted** in discussion that reviewing the success of Met2020 projects would be important to ensure that the University continued to back 'winners'. It was also **noted** that there would need to be alignment between the objectives of Met2020 and those of the Strategic Plan when the latter was developed.

8.5 Improving the student experience

- 8.5.1 The Board **received** a report from the Deputy Vice-Chancellor on the University's performance in the 2014 National Student Survey (NSS) (BG 71/8.5.1). The Board **noted** that the University's overall satisfaction score had improved from 72% to 76%, which returned the University to the position it had been in in the 2012 NSS. The University was now closer to its post-1992 London competitors in its overall satisfaction score. However, considerable work remained to be done, with the University one place off the bottom of the national table in terms of overall satisfaction. There was considerable variation between courses: 25 courses had performed above the national average (86%) compared to 12 in 2013, while 13 courses (15 in 2013) had overall satisfaction ratings that were more than 25% below the national average. The latter would be served with notices to improve, and four courses which had also been in the bottom cohort in 2013 had been discontinued. The Deans were analysing the results and drawing up action plans for their faculties.

In discussion, members **noted** the importance of ensuring that good practice from areas where there had been significant improvements was spread through the institution. It was suggested that students should be engaged in the process of

improving their educational experience by creating space for conversations about that within courses. Qualitative research on students' views should be carried out to supplement the feedback provided by the NSS. It was also suggested that the smaller cohorts that would follow after the unusually large final year cohort in 2013-14 would create more capacity among staff to improve the student experience.

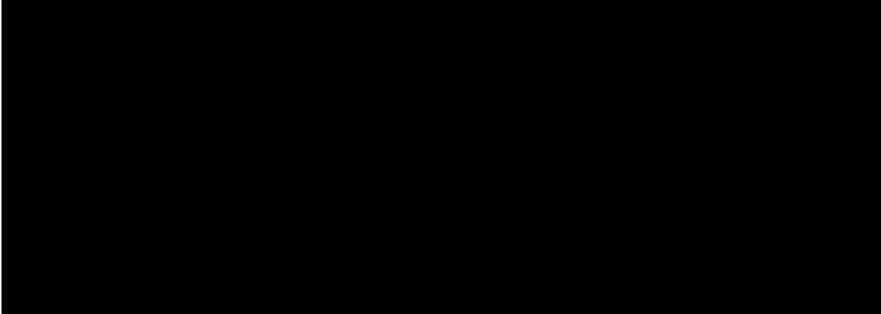
8.5.2 The Board **received** a report from the Deputy Vice-Chancellor (BG 71/8.5.2) on the University's performance in the most recent Destination of Leavers from Higher Education (DLHE) survey, covering undergraduate and postgraduate leavers who completed their courses in 2012-13. The Board **noted** that the University had dropped in all four of its HESA location-adjusted employment performance indicators compared to the previous year, most notably in the benchmark relating to the proportion of UK domiciled first-degree graduates in employment or further study, which was the one most frequently used by league table compilers. The University's performance against this EPI (-5.5% below the benchmark) was particularly disappointing, with the proportion falling from 87.9% in 2010-11 to 81.4% in 2012-13. This had occurred at a time when employment prospects in London had been improving and the University's competitors had raised their performance against the same benchmark. There had been a decline in the proportion of graduates going on to further study, although this trend was not unique to London Met. The DLHE data underscored the correlation between graduate destinations and ethnicity, with 1 in 4 Black full-time graduates likely to be unemployed compared to 1 in 10 White full-time graduates. The report outlined the actions that would be taken to improve the University's employability performance, supported by Met2020 investment where appropriate.

In discussion, it was **noted** that while there were flaws in the DLHE survey, the media was unlikely to be concerned about factors that explained the University's performance. The challenge facing the University was to optimise its curriculum and delivery to ensure the best possible employment outcomes for its demographic. This would include developing students' social capital, networking and employment skills. The University could stress the wider context and the social obstacles faced by BME graduates, but any explanation would need to be brief and convincing.

8.6 Estates Strategy

8.6.1 The Board considered and **approved** a revised Estates Strategy

which was recommended to the Board by the Finance and Resources Committee (BG71/8.6.1). Members **noted** that the Strategy was intended as a bridging strategy while the Strategic Plan 2015-2020 was developed, and that estates would form a strand in the strategy development process.



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9 Risk management

- 9.1 The Board **received** an update on risk management (incorporating the corporate risk register) from the Director of the Strategic Programmes Office (BG71/9.1), noting that the corporate riskregister had previously been considered by the Audit Committee.

10 Operational reports

10.1 Deputy Vice-Chancellor's reports

- 10.1.1 The Board **received** a general report from the Deputy Vice-Chancellor for information (BG71/10.1.1).

In response to a question about the marketing of postgraduate courses, the Deputy Vice-Chancellor explained that the University had spent more on the marketing of undergraduate and postgraduate courses in the current year than previously, and that postgraduate enrolment and pre-registration were looking positive. The University's postgraduate prospectus had been shortlisted in a competition among marketing practitioners. In discussion, it was suggested that one outcome of the strategic planning process could be a recommendation that the University needed to spend more on marketing, to include ensuring that social media were used effectively. Members **noted** that Mr Murphy has expertise in this area and could play a role in evaluating the effectiveness of the University's marketing.

Members **noted** that the Student Front Office (SFO) at Holloway had now opened and it was **agreed** that the next meeting should be preceded by a tour of the SFO.

Action: Deputy Vice-Chancellor

Deputy VC

10.2 Deputy Chief Executive's reports

10.2.1 The Board **received** a general report from the Deputy Chief Executive for information (BG71/10.2.1).

10.2.2 The Board **received** an annual report on compliance with the Equality Act, in the form of a progress report on actions under the University's Single Equality Scheme (BG71/10.2.2). The following points were raised by members in discussion:

- while commending the progress which was reflected in the report, members **noted** that it focussed on whether actions had been achieved and did not provide information on the effectiveness of outcomes (e.g. the takeup of training opportunities). It was **agreed** that information on outcomes and outputs that should be provided in future reports to the Board;
- it was requested that equality monitoring for students and staff should extend to protected characteristics in addition to age, disability, gender and ethnicity;
- it was suggested that faculty diversity co-ordinators had originally been recruited for a disability role, and required some development to take on a broader equality role;
- it was **agreed** that future reports should provide the Board with data that showed the diversity of the student population and how that compared to the makeup of the staff population (although it was noted that staff were drawn from a wider area than many of the University's students).

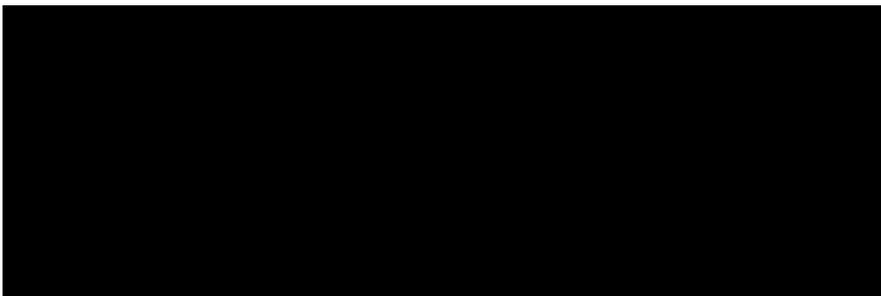
It was **agreed** that these points would be take forward by the Vice-Chancellor (in the Deputy Chief Executive's absence) and reflected in future annual Equality Act reports to the Board.

Action: Vice-Chancellor

VC

10.3 Finance Director's report

10.3.1



s.43(2) FOIA - commercially sensitive

10.4 University Secretary's reports

- 10.4.1 The Board **received** a general report from the University Secretary for information (BG71/10.4.1). Members **noted** the analysis of complaints submitted to the Office of the Independent Adjudicator (based on the OIA's most recent annual letter), and **agreed** that an analysis of the issues arising from student complaints should be presented to a future meeting of the Board.

Action: University Secretary

- 10.4.2 The Board **approved** minor amendments to the terms of reference of the Audit Committee which were recommended by the Committee (BG71/10.4.2).

11 Any other business

There was no other business.

12 Minutes and other items for information

The Board **received**, for information:

- 12.1 Minutes of Audit Committee of 16 September 2014 (BG 71/12.1)
12.2 Minutes of the Finance and Resources Committee of 10 September 2014 (BG 71/12.2)

13 Dates of next meetings

The Board of Governors will meet at the following dates and times in the remainder of 2014-15:

- **15 December 2014, 9.00-13.00:** Strategy Day (co-opted members of committees also invited). Location tbc.
- **29 January 2015, 17.00-19.00** (preceded by AGM): location tbc
- **16 April 2015, 17.00-19.00: location tbc**
- **4 June 2015, time tbc:** Strategy Day
- **2 July 2015, 17.00-19.00:** location tbc

14 Dates of meetings in 2015-16

The following dates have been sent for Board of Governors

meetings in 2015-16 (locations tbc):

- 8 October 2015, 17.00-19.00
- 26 November 2015, 17.00-19.00
- 17 March 2016 (with AGM), 17.00-19.00
- 5 May 2016: Strategy Day
- 30 June 2016, 17.00-19.00

Certified to be a true record:-

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Chair, 27 November 2014

Seventy first Meeting of the Board of Governors, 25 September 2014

Action Sheet

Minute	Action	By	Completion
6.1	Report back to future Board meetings on progress of the task and finish group responding to the staff stress and wellbeing survey.	Vice-Chancellor	Update future meetings via the VC's report
7	Report back to Board on review of Freedom of Speech Code of Practice	University Secretary	January 2015
8.1.2	Update action plan for 2013-2015 Strategic Plan in light of the Board's feedback	Director of the SPO	Next meeting
8.2.1	Revise non-financial KPIs in light of the Board's feedback	Director of the OIE	Next meeting
8.3.1	Update Board on final student numbers when available	Director of the OIE	Next meeting
8.4.2	Updated Board on the budgetary implications of under-recruitment once student numbers for 2014-15 are finalised	Director of Finance	Next meeting
8.4.3	Update board on the results of the analysis of teaching hours in FSSH	Director of Finance and Director of HR	Next meeting
10.1.1	Arrange tour of Holloway SFO before next Board meeting	Deputy VC	Next meeting
10.2.2	Incorporate Board's feedback in next annual Equality Act report to the Board	VC / Deputy Chief Executive	November 2015
10.4.1	Present analysis of issues arising from student complaints to a future meeting of the Board	University Secretary	January 2015