



**Board of Governors  
15 December 2014**

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**Minutes of the Strategy Day - 'Towards a Sustainable London Met'  
Monday 15 December 2014**

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**Present**

Mr Clive Jones – Chair  
Professor Jane Broadbent (co-opted member, Audit Committee)  
Professor Kathy Castle  
Mr Emir Feisal  
Mr Rob Hull  
Mr Anthony Millns  
Ms Ann Minogue  
Mr Daleep Mukarji  
Mr Michael Murphy  
Mr Obie Opara – President, Students' Union  
Professor John Raftery – Vice Chancellor  
Dr Cathy Sullivan

**In attendance**

Mr Paul Bowler, Deputy Chief Executive  
Dr Christopher Sarchet, Director of the Strategic Programme Office  
Mr Peter Garrod, University Secretary and Clerk to the Board  
Professor Peter McCaffery, Deputy Vice-Chancellor

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Ms Pam Nelson, Director of Finance

Ms Siobhan O'Donoghue, Assistant University Secretary

Mr Doug Parkin, Leadership Foundation of Higher Education

### **Apologies**

Mr John Duke (co-opted member, Finance Committee),

Mr Richard Indge (co-opted member, Audit Committee)

Ms Maureen Laurie (Board of Governors)

Ms Eileen Milner (co-opted member, Academic Strategy Committee)

Mr Avnish Savjani (co-opted member, Audit Committee)

Professor Dianne Willcocks (Board of Governors)

### **Introduction**

1. The Vice Chancellor began by giving a brief overview of the progress to date in developing the 2015-2020 Strategic Plan, following the launch of the Stimulus Paper in September 2014. It was explained that the aim of the Strategy Day was to give the Board of Governors the opportunity to give its steer and share its views on the strategic options set out in the recently published Green Paper, which would inform the content of the next stage of the plan's development – the White Paper – due for publication in early February 2015. The Green Paper had been informed by the feedback received from the Board and from staff and students on the Stimulus Paper, but it was not an attempt to synthesise comments; rather, it sought to set out some challenging propositions centred around the difficult choices the University would have to make to move itself to a sustainable position.
2. The Vice Chancellor stressed the urgency and the need to think differently: there was a lack of time and significant – and difficult – decisions would need to be taken. A further challenge would be to ensure that staff were signed up to the Strategic Plan. While it was clear that many staff were very committed to the University, it was currently unclear whether staff were capable of cohering around a common purpose to move the University in a different direction. Although there would never be consensus, the success of the Strategic Plan would depend on that commitment from a majority of staff.

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3. Doug Parkin of the Leadership Foundation of Higher Education was welcomed to the Strategy Day. Mr Parkin would facilitate the Board's discussion, which would be structured around six cross-cutting themes from the Green Paper.

### **Theme 1 - the Sustainable University**

4. The Deputy Vice Chancellor and the Director of Finance introduced the first theme: 'the sustainable university'. The overarching purpose of the Strategic Plan 2015-2020 was to get the University to that position. The Board was asked to consider what characteristics a sustainable London Met should expect to have, and what academic and financial metrics would need to underpin them.
5. The University's current academic profile was defined by factors including a decline in student numbers and a streamlined portfolio. The University was a significantly smaller institution than it had been 10 years ago, with the drop in International student numbers being particularly pronounced. Although there was an improving student cohort identity, increased staff/student contact time and high graduate starting salaries, London Met was still below its benchmarks in terms of NSS and DLHE results. The University's income was also declining. Tuition fees currently accounted for 65 per cent of income and potential threats to future grant funding could not be ruled out. There was a reliance on capital receipts for cash flow and, although operating positively, London Met was performing poorly compared to its competitors, with a financial profile more in line with small, specialist institutions. Although income per academic FTE was improving, the University's staff costs as a percentage of income remained high by comparison with the sector and the University's competitors.
6. A 'sustainable London Met' would require recurring financial surpluses and higher margins, which in turn would enable greater investment in the student experience and achievement. Focusing on areas that were likely to grow and prosper, and disinvesting from those that were not doing well, would help ensure the quality and relevance of the portfolio in terms of the student population and also potential employers. Such a focus could have a positive impact on recruitment, retention, repeat business and published metrics.

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7. The Board agreed that the financial and academic indicators presented were those of a sustainable university and made the following points in its discussion:
- As students were the University's significant source of income, there had to be investment in the offer made to students and in the student experience. However, there was a tension between the need to invest and the need to contain the University's costs, reflecting the financial environment.
  - There should be investment in known 'winners' - areas with a track record of success or where the University could gain market share.
  - It was appreciated that the time for urgent and tough decisions had come, but in terms of identifying those areas that were no longer deemed viable, a degree of sensitivity and caution was encouraged.
  - Diversification would decrease exposure to risk. This might include developing a more flexible provision of the teaching element, but furthermore, different or additional income sources could be explored, for example around the use of the estate in the evenings or over summer and diversification through partnerships.
  - The extent of future income from international students was uncertain, but London Met's offer needed to include specifically elements that were of value to the international market above and beyond its competitors.
  - There needed to be a fit for purpose academic workforce that was comfortable and competent with teaching flexibly and in new ways.
  - All of these things needed to be underpinned by better, increased, marketing that focused on London Met's distinctive attributes and strengths, and those elements driving choice within the student demographic, while making more effective use of social media. Examples included the high graduate salary; the flexibility of the course structure; and the offer to the international market. However, greater investment in marketing would require difficult choices about the reallocation of scarce resources.

### Theme 2 – the Mission

8. The Vice Chancellor presented the theme of the University's mission. Responses to the Stimulus Paper had shown that there was a strong adherence to the current mission (expressed in the slogan 'transforming lives, meeting needs, building careers') and little appetite for changing it. While the mission statement could be improved, as one co-opted member (who was unable to attend) had pointed out in their comments provided to the Board, revisiting the University's mission would be a diversion of energy at this difficult time. The White Paper would therefore not include any proposal to make significant changes to the mission.
  
9. What was not apparent, however, was that the design, content and delivery of the current curriculum, nor the University's processes and systems, were optimised to reflect the University's mission; particularly in terms of the University's distinct student profile. Changes in these areas would be necessary if the current mission was to remain meaningful. To give an example, the success of London Met's students was measureable most accurately by indicators such as satisfaction and employment outcomes, rather than traditional league tables. One option, therefore, was to enhance the provision of work-related learning and consider offering all students across all programmes at least one work-related opportunity during their course, be that a placement, volunteering opportunity or internship. The curriculum could be optimised to better support employment outcomes and recognise that many students combined study with work, for example by providing opportunities within assessment to reflect on work experience and more emphasis on online learning.
  
10. The Board considered the implications of the mission remaining broadly the same, in terms of how London Met would need to configure itself to become 'a sustainable university':
  - Although imperfect, the mission was everything it needed to be and should remain broadly the same. The mission would inevitably evolve in response to the measures adopted by the University to ensure its sustainability.
  - However, the phrase 'meeting needs' did not necessarily convey the right message and was felt to be weak and unambitious. It was noted that, during the process of developing previous strategic plans, the word 'excellence' had been

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lost from the mission statement. The Board felt it was important that the mission should reflect and emphasise that the University strove for excellence in what it did, and that it should convey self-confidence and sustainability.

- As London Met was primarily an educator, it was suggested that the mission might simply be 'educating to build careers'; or that it could be condensed further still to 'transforming lives'.
- The Board agreed that the infrastructure and the curriculum needed to be re-engineered to deliver the mission. Furthermore, if London Met was certain it had identified its strengths and its distinct offering, then it should not be afraid to be bold or radical in its approach.
- It would be important to have a holistic approach, however, and the mission would need to be brought to life and marketed effectively.

### **Theme 3 – Our Promise to Students**

11. The 'promise to students' theme was underpinned by the premise that the University should only admit students that could benefit from the education provided, in order to maximise academic attainment and employment outcomes for graduates. The key statistic was that, currently, a quarter of students did not progress from their first to second year of study. The reasons for the failure to progress, or for withdrawal, were mixed and not always academic. As well as the detrimental effect on the individual student, the relatively poor progression rate impacted directly on the University's income and meant uncertainty about student numbers and related income from fees. There was a tension between the University's need to maximise student numbers and income, with heavy reliance on Clearing, and the degree of preparedness of prospective applicants for their studies.

12. The Deputy Vice Chancellor presented options for the Board to consider around the admissions process, how the curriculum might be delivered, and the support the University could provide to students in order that retention might be improved. One of the key proposals was to reengineer the University's admissions processes, including a greater use of interviewing to better assess a student's preparation and readiness to study (described as testing the student's 'commitment to study'). This could help to reduce the risk of flawed decision-making, both on the part of the student and the University. 'Keep warm' activities and induction, greater outreach, support and a

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more joined-up approach throughout the student life-cycle were also part of the strategy, along with use of management information to focus interventions on students at risk of withdrawal. Better retention would avoid the loss of income associated with withdrawal and lead to a more stable, predictable position, although there was a risk that testing 'commitment to study' would reduce enrolment.

13. It was also noted that the undergraduate framework had been redesigned in 2012-13 to increase class contact time. More could be done to maximise the opportunity for re-assessment within modules and to improve assessment design. Employability was embedded in the core modules of all undergraduate courses and, as outlined earlier in the discussion, a guarantee of a work-related learning opportunity could potentially be part of all courses. Staff would need to be trained and supported in fulfilling their part in delivering the University's promise to students.

14. The following points were considered during the Board's subsequent discussion:

- The Board asked for more information on, and analysis of, the statistics around failure to progress and student withdrawals. **Action: Deputy Vice-Chancellor.**
- It was acknowledged that London Met's student profile meant there was likely to be a higher number of students that would not progress than at other universities. However, there was agreement that the University needed to arrest the decline and move toward attracting and recruiting students who would be able to proceed.
- There was evidence from other institutions that raising entry tariffs led to improved retention and income after an initial impact on enrolment. However, as most London Met students did not enter with traditional qualifications, a different approach was needed.
- There was 'in principle' support for increased interviewing for sifting purposes, whilst noting the practical obstacle of the level of admissions via Clearing and that there were risks to student recruitment. More generally, it was agreed that there was a moral imperative to engage better, and earlier, during the selection process to begin personal contact and build relations. Increased contact – both face to face and online – would in turn encourage commitment from the student.

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It supported and invigorated students and encouraged integration and a sense of community.

- Employment engagement for every student should be an aim. It was also important to ensure that students acquired the 'social capital' and soft skills (such as being confident and articulate) which correlated with employment. Again, London Met's distinctive student experience offer needed to be celebrated and marketed effectively.
- There was some concern about the term 'commitment to study', which it was suggested could potentially 'problematise' the student: it was also necessary to address the systems and environment around the student. Improving retention would involve transforming both student and staff strategies.
- It was noted that if retention rates improved, many other problem areas would also improve.

### Theme 4 – Research

15. In advance of the University's review of research, planned for January 2015, Professor John Gabriel presented the challenges and options for the University's approach to research and scholarship. The Board was asked in particular to consider which approach might be most consistent with the goal of being a sustainable, teaching-focussed university: to teach exclusively; to have a specialist research provision focussed on areas of strength; or for there to be a widespread research approach across the curriculum. The decline in research income and costs associated with research were key drivers influencing the University's approach to research.

16. It was appreciated that the position of research in the institution was a particularly sensitive area for parts of the academic community. The following points were made by members in discussion:

- It would not be desirable for the University to be regarded as an institution which did not 'do' research.
- However, research had to be funded and there had to be an income advantage to it. Teaching currently subsidised research, which was difficult to justify unless research enhanced teaching, student recruitment and satisfaction. It had to be

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purposeful and linked to the University's mission and there should be an element of employer engagement and benefit.

- It was noted that the University had a strong track record and reputation for applied, inter-disciplinary, socially engaged research. It was suggested that applied research could be funded from new, additional sources, for example local authorities.
- Government policy and the availability of alternative funding sources suggested that London Met's approach should include a focus on its proven strength and success areas.
- As with the other themes, there needed to be a promotion, celebration and marketing of the University's research achievements and research offer.

### Theme 5 – Infrastructure

17. The Deputy Chief Executive presented some of the key challenges around the university's infrastructure – in particular IT and estates – in terms of establishing a sustainable university. There had been underinvestment in technology: networks, telecoms and desktop systems needed to be refreshed. Furthermore, student expectations of IT were increasing, and new approaches to teaching and learning demanded reliable systems to underpin them. However, the financial position was that costs were changing constantly and revenues were declining.

18. The estates disposal programme had generated capital receipts, which had been used to fund capital expenditure in place of surpluses, but this was not a sustainable approach. If 'the sustainable university' was likely to be a distinct size and shape, there was an argument for proactively designing the University's estate around that vision now, and moving away from the current three campus model, rather than being forced into a reactive decision at a later date. The Board needed to consider the risks involved in reducing the number of campuses, which might include potential loss of student recruitment and local engagement, disruption and adverse PR.

19. The Board discussed the potential implications that 'the sustainable university' might have on IT and estates:

- A significant part of the student experience was to have inspiring spaces, both virtual and real.

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- The Board agreed that there needed be some initial, accelerated, short-term investment to improve technology and also the University's online teaching presence, in order to better attract, reflect and serve the student population and compete effectively. London Met had to move faster than its direct competitors in this regard. Members noted the University's lack of a joined up IT Strategy.
- There was a cultural element to address, too, in terms of improving and increasing the use of online learning. Although teaching and provision of resources online had improved, it was not being used to its full potential. Staff training and development would need to be considered.
- It was agreed that the University could not afford to find itself in a reactive position in terms of its estate. A decision about the longer-term could be taken and then implemented strategically, with the more practical aspects being addressed in the short-term.
- The estate strategy should be modelled around the vision of 'the sustainable university'. If this meant a smaller institution doing things better and if reducing the number of campuses would better support students, then that was what the estates strategy should reflect.
- The University should not be afraid of making a big statement. Preconceptions about the potential negative impact should be challenged.
- In the past there perhaps had not been a joined-up approach, but this was essential, and it had to be led by the right personnel.
- Options for reducing the number of campuses should be explored and brought back for further discussion by the Board.

### **Theme 6 – Partnerships**

20. The Director of Finance and Deputy Chief Executive presented issues around the final theme of the University's strategic partnerships: both academic collaborations and relationships with suppliers, service providers and other partners. The right strategic partnerships had the potential to reach new markets and sources of revenue, and could also facilitate other types of collaboration, including research and exchanges, all of which could help support the creation of a sustainable London Met. But there were also risks – both financial and reputational – some of which the University had experienced in previous partnerships.

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21. The Board was asked to consider the University's current approach to partnerships and what part they might play in its future strategy:

- The University's current approach was too opportunistic, and there had perhaps not been enough understanding of them, in particular the costs. There had to be a real awareness of the true costs of a partnership and an understanding of how it supported the University's strategy.
- Choosing the 'right' partnerships was an attractive idea and should be part of the University's strategy. Partnerships had to address the strategic issues facing the University, for example, by increasing the recruitment of International students, improving the experience of Home students, addressing the University's strategic estates issues or improving income.
- Partnerships did not need to be restricted to academic institutions: there were also a host of other experiences and opportunities with local communities and business that could be considered partnerships, and which should be explored.
- The Board encouraged the executive team to explore potential partnerships further – both quickly and fully – and to be ambitious. But any partnerships entered into had to be 'strategic'.

### **Conclusion**

22. The Vice Chancellor thanked Doug Parkin and the Board of Governors for their honest and useful input into the strategic debate. Comments would be collated and used in the development of the White Paper. Although the White Paper would not be published until 10 February 2015, the Board of Governors would have the opportunity to consider the executive's thinking around the key themes of the White Paper at its next meeting on 29 January 2015.

23. The Chair of the Board of Governors thanked staff for their presentations and fellow Governors for their contributions. Although faced with a tight timetable, the executive team was encouraged to take sufficient time to discuss and debate the issues as fully as necessary.

SLO (with input from PDG)

January 2015