

BOARD OF GOVERNORSMinutes of the (reconvened) meeting held on 24 May 2016

Present

Bernard Laverty	Independent member	Chair of the Board
Lesley Munro		Clerk to the Board
Martin Ainscough	Independent member	
Roy Bayfield	Support Staff member	Elected
Richard Benjamin	Independent member	
Evelyn Carnegie	Academic staff member	Elected
John Cater	Vice-Chancellor	Ex-officio
Graeme Collinge	Independent member	
Clive Edwards	Independent member	
Rob Green	Independent member	
Jade McDonald	Student member	Elected
David Owen	Independent member	Deputy Chair & Chair of Resources Committee
Simon Pope	Independent member	
Steven Rouke	Students' Union President	
George Talbot	Academic staff member	Academic Board nominee

In attendance

Mark Allanson	PVC (External Relations)
Lynda Brady	PVC (Student Experience) & University Secretary
Steve Igoe	Deputy Vice-Chancellor
Matthew Greenhalgh	Students' Union President elect
Gareth Shanks	Student member elect

Apologies

Lisa Greenhalgh	Independent member	Chair: Audit Committee
Paul Malone	Students' Union General Manager	
Louise Robinson	Independent member	
Denise Walker	Independent member	

The Chair welcomed Matthew Greenhalgh and Gareth Shanks to their first meeting.

BG.15.083 Declarations of Interest

There were no Declarations of Interest.

BG.15.084 Chair's Announcements

There were no Chair's Announcements.

BG.15.085 Chair's Action

There was no Chair's Action to report.

BG.15.086 Minutes of the previous meeting

Received: Document BG/057/15

The minutes of the meeting held on 21 March 2016 were agreed and signed by the Chair as a correct record.

BG.15.087 Action Log

Received: Document BG/058/15

The Action Log was received noting all actions as complete or ongoing.

BG.15.088 Matters arising not included elsewhere on the agenda

There were no other matters arising.

SECTION A ITEMS

BG.15.089 Minutes of Committees

Received: Document BG/059/15

.01 Nominations Committee (21 March 2016)

Following a recommendation from the Committee, **the Board approved the appointment of Edith Sim and Christine Donnelly as new Governors.**

Action: Clerk

The Chair reported the appointment of the Leadership Foundation to undertake the Board's five year Effectiveness Review noting that the consultant, Aaron Porter, had already held some interviews and made contact with a number of Governors. Aaron would be attending the July meeting of the Board as an observer.

BG.15.090 Committee of University Chairs (CUC) Meetings

The Chair reported on two recent CUC meetings where topics for discussion had included the arrangements for Effectiveness Reviews, the new responsibilities for Boards in relation to academic quality processes (a later agenda item) and Pensions (especially USS).

Following conversations at the London meeting, the Chair suggested that the University should invite Lord Derby (Chair of Liverpool University) to visit.

Action: Vice-Chancellor

BG.15.091 HEFCE Institutional Grant Letter

Received: Document BG/060/15

The Vice-Chancellor introduced the Institutional Grant Letter noting that, although funding from HEFCE was now a small percentage of overall income, there was a pleasing increase related to improved research ratings and an increase in the number of high cost (medicine and science) students studying at the University.

The HEFCE Institutional Grant Letter was received.

BG.15.092 HEFCE Assessment of Institutional Risk

Received: Document BG/061/15

The Vice-Chancellor introduced the document noting that the University had been assessed as **not at higher risk** which was the most positive outcome possible from this process. The paragraph relating to the ongoing investigation of historic Faculty of Education data returns was noted and the Vice-Chancellor reported that negotiations around this were continuing.

In response to a member's question, it was reported that very few institutions would be placed in the high risk category.

The HEFCE Assessment of Institutional Risk was received.

BG.15.093 WLBC Forum (1 April 2016)

Received: Document BG/062/15

The Chair introduced the minutes highlighting that this was the first meeting attended by the new Chief Executive of the Council who had been positive in her approach. It was noted that one possible development site would not be progressed but that the Council remained open to opportunities for development elsewhere.

In discussion, it was noted that a recent report commissioned by West Lancs from *Thinking Place* had emphasised the need for the Council to embrace the University within its strategies.

In response to a member's comment, it was noted that no decision had yet been made in relation to the expenditure of Section 106 money accumulated from University capital developments but that the proposal for cycle lanes had not been progressed.

The minutes of the WLBC Forum were received.

SECTION B ITEMS

BG.15.094 HEFCE Revised Operating Model for Quality Assessment
(Discussion taken at the commencement of the meeting)

Received: Document BG/063/15

The Director of Quality Assurance introduced this item which outlined HEFCE's revised operating framework for academic quality assurance which included new responsibilities for governing bodies in relation to annual assurance. He reported that the framework had been the subject of a major review and consultation process which sought to shift the focus away from process towards an emphasis on output standards. The revised model made significant use of existing data and processes in an effort to reduce the burden on institutions. Full

roll-out of the framework was scheduled for 2017/18 with transitional arrangements in 2016/17 for those institutions which would otherwise have been subject to a full review under the old methodology during that year. Edge Hill University was in the transitional category.

The basics of the new framework included an extension of the Annual Accountability Return (AAR) to incorporate governing body assurances in relation to academic standards and a desk-based institutional data review undertaken by HEFCE. The results of these activities would be considered by an expert panel with a range of judgements available ranging from 'meets requirements' to 'does not meet baseline regulatory requirements' – this latter judgement potentially leading to removal from the Register of HE Providers.

In addition, the 5 year HEFCE Assurance Review process would be extended to incorporate a scrutiny of the evidence supporting governing body assurances with a similar range of judgements available. This will be preceded by a one-off scrutiny of all providers' internal periodic review processes in 2017 to verify baseline requirements.

As a transitional institution, the Board will be required to complete an extended AAR next year and, in this regard, a reporting mechanism will need to be agreed so that the Board can provide the necessary assurances. It was suggested that a workshop for members would be helpful to better understand the University's internal periodic review processes and methodologies and inform the nature of future reports and associated KPIs.

Action: Clerk/Director of Quality Assurance

In discussion, it was noted that, theoretically, the revised framework was more straightforward than the existing process and, potentially, more objective though perhaps less nuanced. The new emphasis on data provided an opportunity for traditional sector hierarchies to be challenged.

Members thanked the Director of Quality Assurance for his informative presentation.

BG.15.095 Vice-Chancellor's Report

Received: Document BG/064/15

The Vice-Chancellor introduced his report and highlighted the following points:

- There had been some relaxation of the proposals in the Schools White Paper, particularly in relation to the requirement for all schools to become Academies;
- In the HE White Paper, Government had confirmed that the three levels identified as outcomes from the Teaching Evaluation Framework (TEF) would be used to determine increases in fee levels which would be linked to the Retail Price Index (RPI) through to 2019/20;
- Implementation of the TEF emphasised the importance of accurate data capture and reporting;
- The University had improved its ranking in both the Good University Guide and the Guardian League Table. Further improvement in the Times' tables published in September would be partly dependent on this year's NSS scores;
- Final information on the date for withdrawal of qualified teacher status (QTS) was still awaited and, whilst this presented some uncertainty for both staff and prospective students, the later the decision, the more likely there would be a delay in implementation;
- Recruitment for 2016 entry continued to outperform the sector with a drop in conversion rates more than matched by the increase in applications. In addition, the mature student entry route through Fastrack was proving very attractive.

In discussion, it was noted that:

- The University was not in a strong position in relation to any university based places available for teacher training in the future with the North West already producing a disproportionate number of teaching graduates nationally and Government looking for preferred partners for its new model from prestigious science-based universities.

- The University hoped to be in a position to take advantage of fee increases based on TEF performance.

The Vice-Chancellor's report was received.

BG.15.096 Capital Projects Update

Received: Document BG/065/15

The Deputy Vice-Chancellor updated Board members on progress with current projects noting that the Phase 11 residential build was on schedule for completion in the summer. Good progress was also being made on the Technology Hub and a compliance officer had been appointed to ensure LEP funding arrangements were met and recorded. Experience with this project would be useful in making future bids. Work on the Geosciences build was scheduled to start shortly with completion prior to the start of the new academic year.

It was noted that discussions on the MasterPlan were ongoing and a further report would be made to the Autumn meeting.

Proposals for residential developments in Ormskirk were under active discussion involving WLBC, LCC and the Lancashire LEP.

In discussion, the following points were noted:

- Arrangements had been made to ensure that the move of heavy equipment to the science laboratory on the top floor of the Technology Hub could be managed;
- Students would welcome the development of University managed accommodation in the local area which would be particularly attractive to second and third year students and would helpfully reduce reliance on private landlords;
- The University would be looking for freehold or long lease options in relation to developments in Ormskirk. These could provide mixed use facilities which could incorporate studios, incubator units and catering outlets as well as general residential accommodation. It was hoped that financing could include Growth Fund 3 and Section 106 money as well as a contribution from Lancashire County Council.

Members were supportive of the proposals and encouraged further bids to the Lancashire LEP.

The Capital Projects Update was received.

BG.15.097 Access Agreement 2017/18

Received: Document BG/066/15

The Pro Vice-Chancellor (Student Experience) introduced the Agreement which detailed the proposals for the University's 2017/18 Access Agreement. Members were reminded that the principles underlying the agreement had been approved at the last meeting prior to submission of final documentation to the Office for Fair Access (OfFA). Response from OfFA was awaited.

Particular attention was drawn to the introduction of a specific resource to support second year retention where there had been a small reversal of recent positive trends and a more targeted approach to the recruitment of young, white, working class men, black and minority ethnic students and estranged students.

In response to a member's question, it was confirmed that the agreement had been drawn up in full consultation with the Students' Union.

In discussion, it was noted that government policy had been to incrementally remove state support for vulnerable students with the burden falling increasingly on institutions.

It was reported that a set of targets accompanied the agreement and it was suggested that this could usefully be circulated to members.

Action: PVC (Student experience)

Following discussion, the Board gave retrospective approval to the 2017/18 Access Agreement.

BG.15.098 Students' Union Report

Received: Document BG/067/15

The President of the Students' Union introduced his report which focused on the recent Union elections, the local council elections and

discussions at the National Union of Students (NUS) conference held in Brighton.

With respect to the Students' Union elections, it was noted that turnout had been higher with all but one post contested. A detailed analysis of voters had provided information in relation to target groups for the future. In terms of the Board of Governors, Matthew Greenhalgh had been elected President and Gareth Shanks the student governor. A report from the Returning Officer was tabled (copy in the minute book) confirming that the elections had been carried out in a fair and democratic manner.

Turning to the local elections, it was reported that a polling station had been authorised on campus and there had been a strong campaign by the Students' Union to encourage voter registration. Looking ahead to the European Union referendum, whilst it was unlikely that there would be many students on campus for voting, the Students' Union was hosting a debate to assist in raising awareness of the issues.

The President reported on a range of motions discussed at the NUS conference providing an interesting insight into some of the major topics of concern. In particular, the campaigns against the NSS survey and PREVENT were noted with EHSU supporting the PREVENT position but not the boycott of NSS. It was noted that the University had encouraged participation in the 2016 NSS with contributions to nominated SU charities.

In discussion, it was noted that a number of institutions were discussing disaffiliation from NUS demonstrating a level of concern over the democratic processes of the NUS itself.

Members were pleased to note the successful outcome of the recent Varsity weekend against UCLAN.

The Board congratulated the Students' Union for the progress made over the year and the Chair thanked the President for his valuable contribution to Board meetings.

In concluding, the President thanked members of the Board and the University Executive for the support he had received during his term of office.

The Students' Union report was received.

BG.15.099 HEFCE Report: Financial Health of the Sector and TRAC results 2014/15

Received: Document BG/068/15

The Deputy Vice-Chancellor introduced this report which provided an overview of the current financial health of the HEFCE-funded HE sector. Whilst the overall position appeared to have improved, this was largely due to a number of the research intensive HEIs recognising one-off Research and Development Expenditure Credits (RDEC) from HMRC, with underlying performance still a cause for concern in terms of long-term sustainability. The analysis showed investment continuing apace in university estates with consequent increases in borrowing and reductions in reserves. Whilst individual institutional performance varied significantly, Edge Hill's position was strong with surpluses well above the average, borrowing costs reducing and staff costs just below the average.

It was noted that the introduction of the new reporting standard (FRS 102) would further deteriorate balance sheets by including off-balance sheet items. This would be particularly difficult for institutions committed to the Universities Superannuation Scheme (USS) and could affect bank attitudes to future loan arrangements.

In response to a query from the Chair, it was reported that the University had removed some of the lower salary points to ensure all staff were paid above the living wage although there could be questions in terms of staff employed by third party suppliers and contractors.

In discussion, it was noted that:

- Staff costs would become more challenging in a static income environment given incremental salary scales;
- Whilst Edge Hill had only limited exposure to USS, analysis had shown that universities and/or members would need to increase contributions very substantially to fully fund USS which was an unprotected, unfunded scheme;
- Given the current environment, industrial action over pay was unlikely to produce a significantly better offer from the employers' side.

The HEFCE report on the financial health of the sector was received.

BG.15.100 Any other Business

There was no other business.

BG.15.101 Reserved Business

Received: Document BG/069/15

Discussion undertaken at a special meeting of Independent Governors on 9 May 2016.

SECTION C ITEMS

BG.15.102 Draft Calendar 2016/17

Received: Document BG/070/15

Members received the draft calendar for 2016/17 and are requested to inform the Clerk of any issues.

Action: All

BG.15.103 Academic Board Minutes

Received: Document BG/071/15

The minutes of the meeting held on 23 March 2016 were received.

BG.15.104 Date and time of next meeting

The next meeting is scheduled for 4 July 2016.