

BOARD OF GOVERNORS

Minutes of the meeting held on 4 July 2016

Present

David Owen	Independent member	Deputy Chair & Chair of Resources Committee
Lesley Munro		Clerk to the Board
Martin Ainscough	Independent member	
Roy Bayfield	Support Staff member	Elected
Evelyn Carnegie	Academic staff member	Elected
John Cater	Vice-Chancellor	Ex-officio
Graeme Collinge	Independent member	
Clive Edwards	Independent member	
Rob Green	Independent member	
Lisa Greenhalgh	Independent member	Chair: Audit Committee
Matthew Greenhalgh	Students' Union President	
Louise Robinson	Independent member	
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
Paul Malone	Students' Union General Manager

Observers

Jade McDonald	Past student member
Aaron Porter	Effectiveness Review Consultant, LFHE

Apologies

Richard Benjamin	Independent member	
Bernard Laverty	Independent member	Chair of the Board
Simon Pope	Independent member	
Gareth Shanks	Student member	
Denise Walker	Independent member	

The Chair welcomed Aaron Porter and Jade McDonald as observers to the meeting.

BG.15.105 Declarations of Interest

There were no Declarations of Interest.

BG.15.106 Chair's Announcements

There were no Chair's Announcements.

BG.15.107 Chair's Action

There was no Chair's Action to report.

BG.15.108 Minutes of the previous meeting

Received: Document BG/072/15

The minutes of the meeting held on 24 May 2016 were agreed and signed by the Chair as a correct record.

BG.15.109 Action Log

Received: Document BG/073/15

The Action Log was received noting all actions as complete or ongoing. The Vice-Chancellor indicated that an informal invitation had been issued to Lord Derby to visit the University and this had been received with thanks.

BG.15.110 Matters arising not included elsewhere on the agenda

There were no other matters arising.

SECTION A ITEMS

BG.15.111 Minutes of Committees

.01 Audit Committee (6 June 2016)

Received: Document BG/074/15

The Chair of Audit introduced the minutes highlighting the benchmarking information received from both internal and external auditors which provided significant comfort as did the four

internal audit reports received which were all rated as low risk. The committee had approved the Internal and External Audit Strategies for 2016/17 and 2015/16 respectively and also a two year extension to the internal audit contract held by PwC.

The Chair of Audit drew attention to the interesting paper prepared by the Director of Finance on the impact of FRS 102 adoption and also the risk management discussion.

The Audit Committee minutes were received.

.02 Resources Committee (20 June 2016)

Received: Document BG/075/15

The Chair of Resources introduced the minutes noting that the 2016/17 Operating Budget and Capital Projects Update were identified as separate agenda items later in the meeting. He drew attention to the informative report received from the Director of Facilities Management and the continuing decline of interest rates affecting Treasury Management outcomes. The positive late mid-year reforecast was noted.

In relation to the 2016/17 Students' Union budget, the additional cashflow summaries were welcomed. The General Manager of the Students' Union indicated that the incorporation of Student Sport was a significant additional expense but that commercial income was set to rise. It was also noted that current cash-in-hand at over £0.5 million provided further comfort against a deficit budget and that more amendments were anticipated before a final iteration toward the end of the month. Members expressed their support for the work of the Students' Union and noted the University's continued support in relation to the smooth transfer of Student Sport.

A copy of the final Students' Union budget would be received at the September Board meeting.

Action: Clerk/SU General Manager

The recommendation from Resources Committee to approve the Annual Accountability Return (AAR) and Five Year Financial Forecasts for submission to HEFCE was noted. The Deputy Vice-

Chancellor highlighted that FRS 102 compliance had been applied across all years for comparison purposes noting that there would therefore be some discrepancy with current budget figures which were prepared on a different basis. He also drew attention to the figures for 2017/18 and 2018/19 which, despite being cautiously based and subject to some uncertainty, were still showing a significant surplus.

In discussion, it was noted that the impact of adopting FRS 102 would be significant for some institutions, especially in relation to the requirement to provide for past USS deficits, and that, whilst this was effectively a paper transaction, this could affect their credit ratings and the availability of future borrowing facilities.

The Resources Committee minutes were received including **approval for the submission of the AAR and the 2015/16 to 2018/19 Financial Forecasts to HEFCE.**

Action: Deputy Vice-Chancellor

.03 Remunerations Committee (4 July 2016)

It was noted that the date for Remunerations Committee had been re-scheduled to 15 July and that a report would be made to the September Board meeting.

Action: Clerk

BG.15.112 Reports from Link Governors

.01 Research Committee

The link governor for the Research Committee (CE) provided an oral report of the work undertaken during the year with discussions ranging over ethics, Human Tissue management, grants – including a full inventory of bids - and reports from Faculties, the Graduate School and Research Institutes. He highlighted the development of performance targets, improved national and international links and consideration of succession planning.

It was reported that preparation for the REF 2020 exercise was well underway with an emphasis on early publication to maximise

impact potential. Continuous monitoring was in place with reporting at the individual staff level where appropriate. The number of PhD completions was continuing to rise following adoption of the Graduate Assistant programme.

In discussion, it was noted that a new Research Strategy was in place and that more research leaders were emerging, especially in the Faculty of Health. A recent report on Health and Safety in research had identified a significant number of recommendations and there would be a subsequent audit to ensure compliance. In response to a member's question, it was reported that the implications of Brexit could be minimised if collaboration with a European partner was in place.

In conclusion, the Pro Vice-Chancellor responsible for Research indicated that the significant progress made reflected a change in institutional culture which was working through to good effect.

Noting that this was a busy and effective committee, members recorded their thanks to the Pro Vice-Chancellor and the Director of the Research Office for their leadership in this important area.

The report from the link governor for the Research Committee was received.

The Clerk highlighted the potential for similar link roles in relation to other Academic Board committees and requested members to register their interest by e-mail.

Action: All

BG.15.113 Effectiveness Review

The LFHE consultant (AP) thanked members for their co-operation with the review to date emphasising the importance of completing the survey which had been recently circulated. He highlighted the potential to use the review to benchmark practice and provide an element of future-proofing.

In terms of timescale, it was hoped that a draft report would be available for September.

The report on the Effectiveness Review was received.

SECTION B ITEMS

BG.15.114 Edge Hill University and its subsidiaries: Operating Budget 2016/17

Received: Document BG/077/15

In introducing this item, the Chair drew attention to the detailed discussion and positive recommendation for approval of the budget at the last Resources Committee.

The Deputy Vice-Chancellor highlighted the projected 2% increase in income based largely on rises in tuition fee, residences and catering returns. Expenditure was projected to rise by 3% taking account of increased staff costs, including the continued investment in new staff for academic growth areas. It was noted that the budget incorporated the ongoing changes in the Faculty of Education and decreasing costs associated with the new scheme for bursaries and scholarships which had been remodelled to better support excellence and enhancement of the student experience. Cash balances were expected to rise by £5 million by the end of the year. The overall surplus at c£18 million was felt to be realistic especially given the added comfort of gap savings in staff costs.

The Deputy Vice-Chancellor reminded members that the budget was built up from a zero base each year and he recorded his thanks to everyone who had contributed to the budget setting process.

In concluding, the Chair drew attention to the sensitivity analysis which demonstrated a robust approach giving added assurance.

Following discussion, the Board approved the 2016/17 Operating Budget for EHU and its subsidiaries.

Action: Deputy Vice-Chancellor

BG.15.115 Vice-Chancellor's Report

Received: Document BG/078/15

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

- There was good progress with the current capital projects. Future proposals would include a new library, which would have the added benefit of releasing the existing building for teaching purposes, as well as further student residential accommodation;
- Whilst the Brexit vote heralded a potential change in culture which could have a negative impact on universities in general, Edge Hill's exposure in terms of staff and student recruitment was limited. The University would however continue to encourage students to enhance their experience with periods abroad, accessing travel support if necessary from the new bursary scheme;
- A second reading of the HE bill before autumn was now unlikely but the government would be pressing ahead with the Teaching Excellence Framework proposals. Initial modelling of the new Framework suggested the University would lie in the middle group of 'excellent' institutions but, with further improvements on the counting indicators, a second quartile placing was possible;
- Work to manage the reductions in Teacher Education applications was continuing with an increased emphasis on the diversification of programmes in the Faculty to maintain numbers wherever possible. The decision to withdraw QTS recognition had now been deferred to September 2018, demonstrating some government understanding of the challenges to the coherence of teacher education provision and offering some additional time for the University to plan and market alternatives. There was no softening of the overall move to school-based training however and the University was anticipating significant reductions in allocations for 2017 entry;
- Increased applications to courses in the Faculty of Arts and Sciences and to the non-professional courses in the Faculty of Health provided a cushion against the reductions in the Faculty of Education and, with conversions ahead of the previous year, the overall position for the University remained positive;
- The University continued to emphasise reputation-enhancing activities to secure the best recruitment position through new course development, Open Days and UCAS Fairs. Further investment in broader-based Schools Liaison had also been made whilst the quality of campus development continued to draw positive feedback;

- It was hoped that the UCU industrial action over pay would be resolved in the near future. The impact at Edge Hill had been marginal however.

In discussion, it was noted that whilst the majority of Edge Hill students still came from the North West, the profile had changed in recent years with a number of courses recruiting nationally although, even in these cases, there was often a link with the region. It was also reported that the University made use of its extensive database to ensure that schools liaison activity was geared to those institutions which produced the best return whilst also building up trust with providers by delivering a useful service to prospective students with advice on aspects such as the preparation of personal statements.

The Vice-Chancellor's report was received.

BG.15.116 Students' Union Report

Received: Document BG/079/15

The Students' Union President introduced the report noting that the new sabbatical team had only been in place for a few days and was currently involved with team training. He highlighted the major manifesto issues which the team would be seeking to pursue over the year including housing, mental health, inclusion and increased opportunities for work placements and sports coaching.

In discussion, it was noted that whilst some events in Freshers' Week had capacity limitations, efforts were made to offer a variety of events and to prioritise first year involvement.

The Students' Union report was received.

BG.15.117 Capital Projects Update

Received: Document BG/080/15

The Deputy Vice-Chancellor updated Board members on progress with current projects noting all were on schedule and in budget with some figures for the Technology Hub still to be finalised.

With respect to the Car Park upgrade, it was noted that the spoil from other works on campus would be used to form the sub-base thereby

reducing overall costs. Whilst within the authority of the Vice-Chancellor, the Board confirmed the £450K budget and noted the appointment of S&J Charnley Ltd as Principal Contractor.

Action: Deputy Vice-Chancellor

The Capital Projects Update was received.

BG.15.118 Equality and Diversity: Annual Report
(Discussion of this item was taken earlier in the meeting)

Received: Document BG/081/15

The Director of Strategic Planning introduced the report which was the first to be specifically produced for the Board. He indicated that the report focused on the protected characteristics of age, disability, ethnicity and gender.

In relation to staff, it was noted that a significant amount of benchmarking was already in place through the annual equal pay survey and accreditation from IIP and Athena Swan. In addition, the University supported an Equality and Diversity Working Group involving staff from across the institution. In terms of specific issues, it was noted that the proportion of minority ethnic staff was below sector norms and whilst this largely reflected the demographic of the applicant catchment area, work was being undertaken to identify any further action which could expand the pool. It was also noted that the higher proportion of female academic staff was driven by the course profile of the University.

In relation to students, it was noted that there was significant support to students with disabilities and/or learning difficulties through both Student Services and Learning Services with extra resource provided by the University in the light of reductions in government funding. In terms of specific issues, it was noted that there appeared to be some disparity in terms of lower retention rates for male and BME students with the latter group also showing poorer degree results. It was reported that additional resource had been allocated to the Planning Office to undertake more detailed statistical analysis with a view to identifying any causal factors. This was also picked up as a target for improvement in the Access Agreement.

In discussion it was noted that the number of students identifying with learning difficulties such as dyslexia was significant whilst those disclosing mental health problems was increasing. In addition to standard forms of support, the University was seeking to maximise technology enhancements such as lecture capture to further assist students.

In answer to a member's question, it was noted that whilst the University sought to obtain reasons for student withdrawal wherever possible, this was often not provided.

Concluding discussion, members welcomed the report and the Director of Strategic Planning indicated he would be happy to receive feedback on the approach and format for future versions.

The Annual Report on Equality and Diversity was received.

BG.15.119 University Ethical Framework

Received: Document BG/082/15

The Clerk introduced this item reminding members that the development of a an ethical framework was a recommendation in the new CUC Code reflecting a number of difficult situations which had come to light over the last few years in relation to donations, sponsorship and collaborations at specific institutions.

Having regard to the particular circumstances that applied at Edge Hill, it was proposed that the current obligations set out in the Board's Statement of Primary Responsibilities and the University's Strategic plan coupled with the range of policies covering specific areas such as research and finance were sufficient to meet the requirements for an Ethical Framework as set out in the document presented.

Following consideration, **the Board agreed to adopt this approach and to approve the Ethical Framework as presented** with the proviso that further consideration be given to explicit commitment to ethical principles within the listed at policies as they fell due for review.

Action: University Executive

It was further noted that compliance could be tested through internal audit.

BG.15.120 CUC Code: Gap Analysis and Schedule of Delegation – Progress Update

Received: Document BG/083/15

The Clerk introduced this paper which set out progress on the actions arising from the Gap Analysis undertaken in relation to the implementation of the new CUC Code of Governance and the adoption of the Scheme of Delegation. It was noted that outstanding actions were expected to be completed over the next twelve months.

The Progress Update was received.

BG.15.121 KPI Report

Received: Document BG/084/15

The Deputy Vice-Chancellor introduced the report highlighting the further increase in applications for HEFCE monitored programmes.

The KPI report was received.

BG.15.122 Reserved Item - HEFCE Report

Received: Document BG/085/15

Reserved to Independent Governors only.

BG.15.123 Any other Business

There was no other business.

SECTION C ITEMS

BG.15.124 Calendar 2016/17 - Final

Received: Document BG/086/15

The calendar was received noting the revised date for the first Audit Committee meeting in the cycle.

BG.15.125 Access Agreement Targets

Received: Document BG/087/15

The Access Agreement targets were received.

BG.15.126 Date and time of next meeting

The next meeting is scheduled for 26 September 2016.