

BOARD OF GOVERNORSMinutes of the meeting held on 30 November 2015

Present

Bernard Laverty	Independent member	Chair of the Board
Lesley Munro		Clerk to the Board
Martin Ainscough	Independent member	
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	
Lisa Greenhalgh	Independent member	Chair: Audit Committee
Jade McDonald	Student member	Elected
David Owen	Independent member	Deputy Chair & Chair of Resources Committee
Simon Pope	Independent member	
Louise Robinson	Independent member	
Steven Rouke	Students' Union President	
George Talbot	Academic staff member	Academic Board nominee
Denise Walker	Independent member	

In attendance

Mark Allanson	PVC (External Relations)
Lynda Brady	PVC (Student Experience) & University Secretary
Iona Horsburgh	Deputy Director of Student Services (for first item)
Steve Igoe	Deputy Vice-Chancellor
Paul Malone	Students' Union General Manager

Apologies

There were no apologies.

BG.15.027 Presentation: The PREVENT Duty

Received: Document BG/019/15 (slides circulated following the meeting)

The Deputy Director of Student Services gave a presentation on the implementation of the Government's PREVENT strategy which formed part of the UK's overall counter-terrorism strategy, CONTEST. It was noted that the aim of the PREVENT strategy was to reduce the threat of terrorism in the UK by stopping people becoming radicalised and that it incorporated new duties on Higher Education Institutions which came into force on 18 September 2015 (reporting duties in relation to specific incidents had been in place for some time). HEFCE had been appointed as the monitoring body for the sector and had produced guidance for institutions on actions to be undertaken which were based on proportionality to the level of risk.

Key aspects of the new duties included reviewing Freedom of Speech, Safeguarding and relevant IT policies, arrangements for speakers and venue hire, the provision of pastoral and chaplaincy support and the establishment of staff training programmes with a requirement to consult with students on implementation of the duties. The Deputy Director emphasised that the University's approach was geared to embedding requirements within a safeguarding context.

In terms of activity to date, the University had completed a Risk Assessment and identified key staff leads to implement the resultant Action Plan. Further information was awaited from HEFCE in terms of the initial monitoring exercise which was likely to take place early in the New Year.

In discussion, it was noted that:

- Whilst the Chaplaincy Service continued on a voluntary basis, activity would need to be appropriately managed;
- Institutional IT filtering requirements had been removed following sector consultation;
- The Students' Union was supportive of the University's approach and was undertaking an equivalent review of Union processes.

Following discussion, the Board **approved** the University's approach to the implementation of the PREVENT duties and thanked the Deputy Director of Student Services for her informative presentation.

BG.15.028 Declarations of Interest

There were no Declarations of Interest specific to the meeting.

BG.15.029 Chair's Announcements

The Chair reported on discussions at the regional and national CUC meetings noting the importance now placed on Social Media for recruitment and the continuing focus on increasing the diversity of Board membership. Reminders of the upcoming Graduation ceremonies and the requirement to submit updates to the Register of Interests were noted.

Clive Edwards reported that he had attended the Times Higher Awards evening on behalf of the Board and that the University had been Highly Commended for the very successful (Record) Label Project. The Vice-Chancellor reported that the University had also now established a publishing house which could form the basis for a future submission.

BG.15.030 Chair's Action

There was no Chair's Action to report.

BG.15.031 Minutes of the previous meeting

Received: Document BG/020/15

The minutes of the meeting held on 28 September 2015 were agreed and signed by the Chair as a correct record.

BG.15.032 Action Log

Received: Document BG/021/15

The Action Log was received noting all actions as complete.

BG.15.033 Matters arising not included elsewhere on the agenda

There were no other matters arising.

SECTION A ITEMS

BG.15.034 Minutes of Committees

.01 Nominations Committee (19 October 2015)

Received: Document BG/022/15

The Chair introduced the minutes referring to national CUC discussions which had highlighted the significant turnover of senior staff, including Vice-Chancellors, and the challenges posed in terms of recruitment. He reported that the majority of institutions recruiting at this level had made use of Search Agencies with varying degrees of success and that consideration was being given to identifying an approved list of agencies based on quality of service.

The Nominations Committee minutes were received.

.02 Resources Committee (19 October 2015)

Received: Document BG/023/15

The Chair of Resources introduced the minutes drawing attention to the following points:

- Satisfactory committee evaluation;
- A further £4 million investment with Santander with continued monitoring of the Treasury Management position in terms of future diversification;
- Discussion of the circumstances surrounding the cost overrun in relation to the Sports Centre Development;

The Committee had also had robust and detailed discussion of the 2015 Financial Statements and 2016 Capital Bids with both recommended to the Board for approval.

The Resources minutes were received.

.03 **Audit Committee** (9 November 2015)

Received: Document BG/024/15

The Chair of Audit introduced the minutes drawing attention to the following points:

- Robust discussion of the 2015 Financial Statements and recommendation to the Board for approval;
- Positive internal and external audit reports;
- Approval of the Committee's Annual Report for inclusion in end-of-year documentation;
- Informative discussion around the annual Value for Money report and the regular Risk Management report.

The Audit Committee minutes were received.

BG.15.035 WLBC/EHU Forum: 6 November 2015

The Chair gave a verbal report on the last meeting noting that the change of councillor representation contributed to a more supportive environment for discussion. It had been noticeable that the views of councillors and officers appeared somewhat at odds on a number of issues.

In discussion, it was noted that the Council had made little progress in determining the expenditure of Section 106 monies paid by the University over 6 years in respect of approved planning applications despite a number of proposals from the University.

The report from the WLBC/EHU Forum was received.

BG.15.036 Management Information October 2015

Received: Document BG/025/15

The Deputy Vice-Chancellor introduced the Management Accounts for October 2015 drawing attention the new format following the implementation of automated reporting from the financial system which had been flagged at the last Resources Committee. The following points were highlighted:

- Although income was running £540k behind budget, partly as a result of a change in policy to provide for all debts greater than three months, the position was expected to reverse over the year;
- Expenditure was £1.576 million below budget, largely attributable to gap savings on staff costs which were always fully provided for;
- Cash balances were strong;
- Current forecasting suggested a rise in the bottom line surplus to £21 million at the end of the year.

In response to a member's question, it was noted that bursary spend, which was part of the University's OFFA Agreement, whilst not a major direct recruitment tool, did contribute indirectly through the promotion of the University's brand and reputation which had led to better qualified applicants and significantly improved conversions in recent years. The Vice-Chancellor reported that a review of bursary provision would see a shift in spend towards resourcing opportunities for on-course students in future.

The Management Information for October 2015 was received.

BG.15.037 Financial Health of the Higher Education Sector: 14/15 -17/18 Forecasts

Received: Document BG/026/15

The Deputy Vice-Chancellor introduced the HEFCE document which provided an analysis of the current and projected position for the sector. The following points were highlighted:

- Reducing surpluses pointed to issues of long-term sustainability;
- The analysis masked considerable variation in institutional performance;
- Capital investment was forecast to rise;
- Whilst Universities had been seen as a 'safe' sector for loans and able to attract good rates, continued volatility could affect this position;
- Edge Hill's performance against individual indicators such as discretionary reserves and liquidity was strong.

In discussion, it was reported that increased competitiveness in recruitment was leading to the implementation of practices outside the UCAS framework in some cases and it was also suggested that the new structure for GCSEs was likely to lead to a fall in grades. It was

noted that the University had articulated its approach to the new qualifications and was working closely with feeder schools to help ensure a smooth curriculum transition.

The HEFCE report on the Financial Health of the Sector was received.

SECTION B ITEMS

BG.15.038 Vice-Chancellor's Report

Received: Document BG/027/15

The Vice-Chancellor introduced his report which concentrated on the key aspects of the Government's Green Paper 'Fulfilling Our Potential: Teaching Excellence, Social Mobility and Student Choice' which was published on 6 November. He highlighted the following proposals:

- The establishment of a single, state-run body, the Office for Students which was likely to incorporate many of the functions currently delivered through arms-length bodies such as HEFCE, OfFA and possibly the QAA. This would introduce a higher level of government control along similar lines to the reforms introduced around Teacher Training.
- Increased plurality of providers with a significant relaxation of the requirements for degree awarding powers to allow more public (FE) and private providers into the market despite issues around quality which were already evident in relation to some recently designated institutions;
- Some structural change to the funding framework for research although firm proposals awaited the outcome of the Nurse review which was ongoing;
- The introduction of a Teaching Evaluation Framework (TEF), largely based on metrics, which could determine the level of fees institutions would be allowed to charge, reflecting the government's determination to create a market for higher education. Given the performance of some traditional institutions in exercises such as the Student Satisfaction Survey, a metrics based evaluation could produce some interesting results and would certainly have League Table consequences.

In the face of these proposals, the University's activities must remain focused on recruitment and retention alongside the quality of the student experience in order to maintain a strong position for whatever changes are agreed. Early signs for HEFCE monitored recruitment for 2016 entry were positive whilst ITT remained challenging, emphasising the need for diversification which was being addressed in the Faculty.

Within Health, whilst the government had approved additional places, the likely shift from bursary to loans funding could impact future application rates, particularly to the less popular routes. In addition, moves to an open market for nurse placements created new challenges and supported the Faculty's work in developing strong working relationships with a range of key Foundation Trusts.

The Vice-Chancellor's report was received.

BG.15.039 Going Concern Statement

Received: Document BG/028/15

The Deputy Vice-Chancellor introduced the Annual Sustainability Assurance Report (ASSUR) noting the strength of the performance indicators. Submission of the report to HEFCE was not a mandatory requirement with discussions on a final format still ongoing.

The Board approved the ASSUR report for submission to HEFCE.

Action: Deputy Vice-Chancellor

BG.15.040 Auditor's Letter of Representation

Received: Document BG/029/15

Noting there were no issues arising, **the Board approved the Auditors' Letter of Representation for signature.**

Action: Chair/Vice-Chancellor

BG.15.041 Audit Committee Report for the Year Ended 31 July 2015 and External Audit Letter

Received: Document BG/030/15

The Chair of Audit introduced the report which outlined the work of the Audit Committee over the year. She highlighted the effectiveness of the Committee and the unqualified external audit opinion in relation to the Financial Statements. On the basis of the work undertaken over the year, the Audit Committee was able to confirm the statements included in the Financial Statements relating to Governance, Risk Management and Internal Control.

The 2015 Audit Committee report and External Audit Letter were received.

BG.15.042 Report and Financial Statements for the Year Ended 31 July 2015

Received: Document BG/031/15

Noting that the Financial Statements had been scrutinised and recommended for approval at both Resources and Audit Committees, members welcomed an excellent set of results and **approved the Report and Financial Statements for the Year Ended July 2015.**

Action: Deputy Vice-Chancellor

BG.15.043 2015 Annual Accountability Return to HEFCE

Received: Document BG/032/15

The Deputy Vice-Chancellor introduced the return which compared 13/14 performance with 14/15. He highlighted the growth in income alongside a managed cost base leading to a higher surplus. The statement on the equality and diversity of Governor membership was noted along with the confirmation of compliance with the research CONCORDAT which was included as part of the Annual Assurance Statement.

The Board approved the 2015 Annual Accountability Return for submission to HEFCE.

Action: Deputy Vice-Chancellor

BG.15.044 Capital Projects Bid

Received: Document BG/033/15

The Deputy Vice-Chancellor introduced the documentation which covered two major proposals:

.01 Student Accommodation Phase 11

This bid proposed a new 168 bed development to be completed by September 2016 at a cost of £9.2 million. The documentation outlined the rationale for the development in terms of unmet demand from first year students and growing demand from other years. In terms of risk, the development followed a tested build methodology with known costs. The proposal had been scrutinised by Resources Committee and recommended to the Board for approval.

In discussion, it was noted that no planning issues were expected and it was anticipated the proposal would be considered by the Planning Committee in either January or February. A technical question concerning drainage was being addressed.

In terms of the Net Present Value (NPV) analysis, it was noted that the positive indicator depended on volume take-up of places with levels of unmet demand suggesting full capacity would be reached.

The Chair of Resources indicated that, given the poor treasury management rates available, investment in residential accommodation which provided a long-term income stream was an attractive opportunity.

Following discussion, **the Board approved the bid for the development of Phase 11 Student Accommodation with a budget of £9.2 million.**

Action: Deputy Vice-Chancellor

.02 Technology Hub

This proposal reflected developments in recruitment and the need to better support areas such as Computing which was increasing in popularity and had outgrown its location in Creative Edge,

along with demand for new areas such as Biotechnology, Genetics and Food Science. The bid to the Board was for £10 million to complete the core building but the proposal also encompassed a separate, additional £3 million bid which had been made to the Lancashire LEP for the provision of high specification enhancements to enable specialist activity. The core bid had been recommended for approval by the Resources Committee.

In a lengthy discussion, the following points were noted:

- Demand for the new building emanated from core undergraduate activity with the additional bid to the LEP providing for more specialist, research-led activity;
- Demand for Food Science courses could be affected now that Food Technology was no longer being taught in schools;
- The location of the Technology Hub alongside other Science and Technology buildings was geared to provide a cohesive and collaborative academic community supporting interdisciplinary links;
- Whilst it was hoped that the build could be completed for 2016, this was not business critical if planning approval was delayed;
- The LEP bid emphasised the retention of skills in important areas for the North West;
- Failure to obtain LEP funding would not impact on the core proposal which would service the main undergraduate requirement;
- The University needed to continue to be ambitious in its plans for future delivery.

Following discussion, **the Board approved a £10 million budget for the development of the Technology Hub.**

Action: Deputy Vice-Chancellor

It was noted that the Board would be updated in terms of the progress of the separate £3 million bid for high specification additions to the Lancashire LEP.

BG.15.045 Student Report

Received: Document BG/034/15

The Students' Union President introduced his report drawing attention to the following points:

- The introduction of a revised and accountable Executive structure including:
 - A full Executive Committee
 - A new Resources Committee
 - An updated Code of Practice and student members' Code of Conduct
- The success of the Consent campaign with the introduction of compulsory workshops for all first year students and the development of a research project with staff from Social Sciences to evaluate the impact of the campaign;
- Implementation of the new Course Representative structure;
- Implementation of the Student Leaders' Development Day to enhance training for Society and Course Representatives;
- The success of the Cut the Costs campaign.

The General Manager of the Students' Union drew attention to the following changes to the Students' Union Constitution relating to External Trustees which required Board approval:

- A reduction in the number of external trustees from 6 to 4;
- A reduction in the quoracy level from 7 to 6;
- Amendment to the terms of office for external trustees from 2 x 4 year terms to 3 x 3 year terms.

The Board received the Student Report and **approved the changes to the Students' Union Constitution as noted above.**

Action: General Manager of the Students' Union

BG.15.046 Student Complaints and Appeals Report

Received: Document BG/035/15

The Pro Vice-Chancellor (Student Experience) introduced the report which provided a summary of student complaints and academic appeals submitted during 2014/15. Overall, numbers were low but an analysis of academic appeals had identified a need to further promote awareness of the Exceptional Mitigating Circumstances scheme and this was being addressed.

In relation to cases taken to the Office of the Independent Adjudicator, these remained very low with only 3 complaints out of 20 found to be justified. A review of cases has identified a level of crossover between complaints and academic appeals which will be addressed by strengthening links between Academic Registry and Student Services.

The report on Student Complaints and Appeals was received.

BG.15.047 Key Performance Indicators

Received: Document BG/036/15

The Deputy Vice-Chancellor introduced the report noting the proposal for a new metric to measure the quality of the student intake which would be incorporated in the Spring Term report.

The Key performance indicator report was received.

BG.15.048 Any other Business

The Deputy Vice-Chancellor indicated that a number of licences were required in relation to the operation of the Sports Centre and these would be brought to the next meeting for approval.

SECTION C ITEMS

BG.15.049 Date and time of next meeting

The next meeting is scheduled for 25 January 2016 and is likely to be held at the Slavery Museum in Liverpool.