

BOARD OF GOVERNORSMinutes of the meeting held on 25 September 2017

Present

Clive Edwards	Independent member	Chair of the Board
Lesley Munro		Clerk to the Board
Martin Ainscough	Independent member	
Roy Bayfield	Support Staff member	Elected
Julian Bucknall	Independent member	
Evelyn Carnegie	Academic staff member	Elected
John Cater	Vice-Chancellor	Ex-officio
Graeme Collinge	Independent member	Chair: Resources Committee
Thomas Dodd	Student member	
Christine Donnelly	Independent member	
Lisa Greenhalgh	Independent member	Chair: Audit Committee
Tony Rankin	Independent member	
Louise Robinson	Independent member	
George Talbot	Academic staff member	Academic Board nominee
Ben Whittle	Student member	Students' Union President

In attendance

Mark Allanson	PVC (External Relations)
Craig Hutchinson-Howorth	Director of Strategic Planning (for items 25 and 26)
Steve Igoe	Deputy Vice-Chancellor
Paul Malone	Students' Union General Manager
Tony Turjansky	Director of Quality Assurance (for item 23)

Apologies

Richard Benjamin	Independent member
Lynda Brady	PVC (Student Experience) & University Secretary
Clive Elliott	Independent member
Rob Green	Independent member
Mike Rush	Independent member

Absent

Denise Walker	Independent member
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BG.17.001 Declarations of Interest

There were no Declarations of Interest.

BG.17.002 Chair's Announcements

01. Sabbatical

The Chair reported that Rob Green would be taking a six month sabbatical from the Board for health reasons. Members sent their best wishes for a speedy recovery.

02. Awards

It was noted that the University had been recognised through a number of awards including the National Student Housing Survey Awards Best Value for Money Student Accommodation in the UK and Best Accommodation at the Whatuni Student Choice Awards. Most recently, the University had been named as the Times and Sunday Times University of the Year for Retention and had been positively featured in the Observer on Sunday.

03. Timing of Meetings

Following the recent survey of members undertaken by the Clerk, it was noted that, whilst there had been some support for a more varied approach, evenings remained the preferred time for meetings of the Board with a number of members indicating that a move away from this would preclude their attendance.

BG.17.003 Chair's Action

The Chair reported that he had been in regular contact with the Vice-Chancellor over the summer endorsing progression of the partnership agreement with Alder Hey which was scheduled for approval later in the meeting.

BG.17.004 Minutes of the previous meeting

Received: Document BG/001/17

The minutes of the meeting held on 10 July 2017 were agreed and signed by the Chair as a correct record.

BG.17.005 Action Log

Received: Document BG/002/17

The Action Log was received noting all actions as implemented.

BG.17.006 Matters arising not included elsewhere on the agenda

There were no other matters arising.

SECTION A ITEMS

BG.17.007 Confirmation of Standing Orders

Received: Document BG/003/17

Standing Orders were **approved** with no amendment from the previous year.

Action: Clerk

BG.17.008 Board Self-evaluation

Received: Document BG/004/17

Members considered the documentation presented by the Clerk which summarised attendance and membership aspects, the business conducted over the year and the schedule of business for the coming year. In discussion, the following points for action were noted:

- Whilst the number of meetings in the year was generally felt to be sufficient, it was noted that 16/17 had been atypical in terms of the turnover of membership and the requirement for most meetings to accommodate discussion of reserved business. This had impacted on the time available for the consideration of the wider strategic context which would need to be addressed in the 17/18 cycle;

Action: Clerk

- The efficiency of meetings could be improved with the provision of summary papers for lengthy technical documents (eg Alder Hey

agreement) which highlighted the issues and challenges for discussion/approval;

Action: University Officers

- Having regard to the thrust of questions to senior governors at the recent HEFCE Assurance Review, the role of the Board in offering constructive challenge was underlined.

Action: All

Minor revisions to the Terms of Reference were approved to incorporate responsibilities for Academic Assurance and Freedom of Speech.

Action: Clerk

BG.17.008 Use of the University Seal

Received: Document BG/005/17

There had been no requirement for use of the University Seal during 16/17.

BG.17.009 Minutes of Committees

01. Remunerations Committee (10 & 31 July 2017)

The Chair of Remunerations Committee gave a verbal report from the Remunerations Committee which had met in July to agree salaries for those senior staff identified in the Instrument and Articles of Government.

It was reported that settling on a 2.7% pay award, the Committee was informed by:

- The likely impact of national pay negotiations and incremental rises for the main body of staff;
- Senior staff appraisals which had been conducted by the Chair and Deputy Chair;
- National benchmark data on senior staff salaries.

It was further noted that appropriate bonus payments had also been agreed and that the committee had agreed to develop a formal reward and recognition policy to provide a firm framework for future deliberations. The Chair of the Board reported that further guidance on this issue was anticipated from the Office for Students and the Committee of University Chairs in the coming months.

The verbal report from Remunerations Committee was received.

02. Audit Committee (4 September 2017)

Received: Document BG/006/17

The Chair of Audit Committee introduced the minutes noting the low risk internal audit reports received. She drew attention to the agreement of the terms of reference for the final review of the fraud issue identified in 2014 to be undertaken by PwC and noted that the committee had also requested a report on the control environment in HR following issues raised in relation to the fraud and the recent internal audit of IT general controls.

The Audit Committee minutes were received.

BG.17.010 Provisional Financial Outturn 31 July 2017

The Deputy Vice-Chancellor reported that the audit of accounts was nearing completion with only minor technical issues relating to VAT reporting and the accounting treatment of the Woodlands campus outstanding. He indicated that the final surplus of £22.8 million incorporated a £1.36 million payback to NCTL noting that this figure had now been revised to £1.44 million following a final resolution meeting. Cash balances at £49.8 million were strong offering support for the capital project commitments agreed by the Board.

The verbal report on the July 2017 financial outturn was welcomed.

BG.17.011 The University's Collaborative Provision

Received: Document BG/007/17

The Deputy Vice-Chancellor introduced the report which outlined the University's current position with respect to its collaborative provision

arrangements. It was noted that local college and high-risk overseas franchise activity had been steadily reduced in recent years with an increased emphasis on advanced entry via articulation agreements. The growth of jointly delivered provision with major health providers reflected the increasing importance of partnership arrangements for the delivery of clinically based programmes.

The report on the University's Collaborative provision was received.

BG.17.012 WLBC/EHU Forum (13 July 2017)

Received: Document BG/008/17

The Vice-Chancellor introduced this item noting that the absence of governor members was due to an administrative notification error. There were no specific matters to report from the meeting.

In discussion, the importance of student and University involvement in the community was acknowledged and it was noted that there was already proactive involvement through the Town Group and a number of individual projects. It was reported that the University had offered to distribute local promotional material on campus and it was suggested that the possibility of displaying student work in the Library and Gallery could be pursued.

In relation to the potential for **capital development** within Ormskirk, and despite responses to date, it was agreed that the University should continue to be alert to opportunities where these could be shown to benefit both parties.

Action: WLBC/EHU Forum members

The minutes from the WLBC/EHU Forum were received.

BG.17.013 Annual Report from Academic Board

Received: Document BG/009/17

The report from Academic Board outlining the business undertaken during the year was received. It was also noted that minutes from the Board of Governors were now being circulated to Academic Board members with Academic Board papers.

BG.17.014 Reports from Link Governors

01. Learning and Teaching Committee (LTC)

The link governor for LTC (LR) reported that she had attended one meeting of the committee and this had been useful in demonstrating the attention given to preparation for the TEF submission.

02. Student Services

The link governor for Student Services (CD) reported that she had met with the Director of Service and had been impressed with the range of services offered and the contribution made to strategically important activity such as retention as demonstrated through the work of the transitions team.

The Chair indicated that the link governor scheme was a useful way for governors to be involved with the University and that regular reports would be included on future Board agendas. Given the distinction between governance and management however, it was expected that any issues arising from meetings would be appropriately referred through the Executive.

The reports from link governors were received.

BG.17.015 Loan Amendment Letters: Barclays

*Received: Document BG/010/17
(Clerk's note: Julian Bucknall declared an interest as an employee of Barclays)*

The Deputy Vice-Chancellor introduced this item noting that changes in the current covenants had been necessitated by the implementation of FRS 102 and the resulting revised definition of 'surplus' within the accounts.

Noting that the proposed revisions reflected a negligible risk of breach for the University, the Board **approved the loan amendment letters** for signature by the Deputy Vice-Chancellor.

Action: Deputy Vice-Chancellor

SECTION B ITEMS

BG.17.016 Vice-Chancellor's Report

Received: Document BG/011/17

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

- Recognition as University of the Year for Retention by the Times and Sunday Times was welcome but there was still more work that could be done to further reduce the number of students leaving early. Each student dropping out represented a lost opportunity for the University and, more importantly, for the students themselves;
- Recruitment for diversified programmes was 350 down from the previous year reflecting a national dip in applications (-4%), more students seeking adjustment after receiving results, increasingly marketed alternatives and a particularly bad press for universities over the summer. The University now suffered a higher non-arrival rate for students (6%) who had been expected to take up a place. Increased recruitment in Faculty of Health professional provision was welcome and would offset some losses.
- Recent work at the University in building community through increased residential provision, supporting the Student Journey project and encouraging extra-curricular activities was geared to creating a 'sticky' university and this would need to be the focus for attention in the coming years with a further national decline in applications anticipated.
- Whilst DELHE data on graduate employment rates remained very positive, recent performance in the NSS appeared to have fallen back slightly although these results were skewed by the treatment of institutions where the NUS boycott of the NSS had been especially evident. Both surveys also suggested an element of 'game-playing' which was disturbing;
- The award of TEF Gold had been a significant achievement which the University would need to build on but recent announcements of changes in the contributing metrics for the future meant a reduced focus on teaching quality which was likely to benefit the pre-92, research intensive institutions.

In response to member's questions, the following points were noted:

- The University did undertake modelling to assess the impact of best and worst-case scenario student number variation. This was reflected in forecast submissions to HEFCE;
- The pernicious interest rate adopted by government against student loans was likely to be acting as a further disincentive to student recruitment although it was felt that a stronger PR campaign from Universities UK could help to counter this;
- It was not likely that reducing fee rates for certain courses would be a viable government option in considering the overall requirements for the funding of higher education;
- Whilst the University was engaged in developing a small degree apprenticeship programme, this was likely to remain a niche activity.

The Vice-Chancellor's report was received.

BG.17.017 Agreement with Alder Hey

*Received: Document BG/012/17
(Clerk's Note: The Deputy Vice-Chancellor declared an interest as a NED of Alder Hey)*

The Vice-Chancellor introduced the final agreement noting that significant work had been undertaken on the detail over the summer. He drew attention to the terms of the facilities leasing arrangement which provided the University with dedicated space within the Trust's Research and Education Centre which was currently under development. The premium charge of £2 million equated to an annual charge of £33,000 for the lease over 60 years with a further £80,000 annually for service charges for the first five years. It was noted that the costs were very competitive when compared against the University's St James Centre in Manchester. In addition to the use of the premises, the Trust had agreed to take an extra 30 student nurse placements annually which equated to 90 places over the three year course duration.

In response to a member's question, it was noted that the agreement incorporated a break option after five years and following a two year

notice requirement with any advance payments refunded to the University. It was also noted that premium stage payments would be against architect's submissions as the project developed.

Following consideration, **the Board approved the leasing agreement between the University and Alder Hey Foundation Trust.**

Action: Vice-Chancellor

BG.17.018 Student Report

Received: Document BG/013/17

The President of the Students' Union introduced his report which outlined the manifesto pledges of the sabbatical team members. Future reports would identify the progress made against each of these. Booklets from Welcome Week were distributed and the President confirmed that the week had gone well with only minor incidents reported. There had been particularly positive feedback for the special arrangements made by the Students' Union for the Manchester based cohort.

The report from the President of the Students' Union was received.

BG.17.019 National Student Survey Results 2017

Received: Document BG/014/17

The Pro Vice-Chancellor (External Relations) introduced the report noting that there had been substantial changes to the questions used in the survey this year which rendered year on year comparisons invalid. He also drew attention to the level of overall satisfaction across the sector which, at 84%, remained high despite a 2% fall-off. This lack of differentiation meant that small changes in scores had a very big impact on results.

Whilst the University continued to perform well in some areas, especially Assessment and Feedback, overall performance against the sector was somewhat disappointing given results in previous years. Initial analysis suggested the University had been adversely affected by the treatment of universities where the NUS boycott of the survey had been strong and had also suffered from the removal of the question on personal development where Edge Hill had always

performed strongly. Other contributing factors were likely to have been the issues around placements which had affected final year Primary Education students and changes to the Students' Union sponsored student representation system which had not worked well.

In response to the results, the University had identified lead staff for NSS in all departments to form a cross-institutional group driving improvement. A range of workshops would be taking place throughout the year and the first one of these had been well supported with important exchanges around good practice. Each department had been tasked to produce an Action Plan for improvement with activity targeted at programme level.

In response to members' questions it was noted that poor performance in Biology was likely to have been affected by perceived delays to the delivery of the new laboratory in the Tech Hub whilst there had been some personnel issues affecting Geography. Persistent underperformance in Media remained a particular challenge.

The Vice-Chancellor emphasised the importance of staff responding positively to student complaints in providing explanations to particular issues such as car-parking so that these were seen in context and less likely to negatively impact survey responses.

The General Manager of the Students' Union indicated that actions were in hand to ensure a more positive response to Union-led activity.

The report on the 2017 National Student Survey results was received.

BG.17.020 First Destination Survey 2017

Received: Document BG/015/17

The Pro Vice-Chancellor (External Relations) introduced the report which outlined the destination data for students six months after graduation. The report showed a similarly positive position to the previous year with a particularly pleasing improvement in the percentage of graduate level jobs obtained by students from the Faculty of Arts and Sciences, reflecting the strong support in place for employability. It was noted that the University's results were based on a high return rate, a factor not always replicated across the sector. It was reported that the 2017 survey would be the last to be implemented in the current format. Future surveys would be carried

out by a third party agency and would track destinations fifteen months after graduation. In anticipation of this, the University was promoting careers advice to alumni, especially through on-line Careers Service facilities.

In response to a member's question, it was noted that the Student Opportunity Fund was available to help students from poorer backgrounds to ensure they were able to take up work placement and volunteering activities and that the University was looking at ways to further promote this.

The report on the 2017 First Destination Survey was received.

BG.17.021 Academic Quality and Standards: Governors' Report Template

*Received: Document BG/016/17
(Clerks note: Discussion taken earlier in the meeting)*

The Director of Quality Assurance introduced this document which formed the basis of a new report to provide the Board with the necessary assurance to allow confirmation that Academic Assurance standards had been met. It was noted that the format of the report was based on a template suggested by the Committee of University Chairs (CUC) and that it had been updated from the draft considered at the previous meeting to show the majority of the outcomes from quality assurance processes in 2016/17. The first section of the report described the various quality processes operated by the University and was unlikely to change significantly from year to year. The second section contained process outcomes which identified programme approvals and closures, details of new professional accreditations and new collaborative provision proposals along with a summary of the outcomes from the annual programme monitoring and review exercise. In relation to this, it was reported that a summary of issues raised by external examiners would be added to the final report which was due to be received at the November meeting.

Members noted the progress made in developing the report and thanked the Director of Quality Assurance for his work in bringing the information together in a digestible form.

BG.17.022 Research Report

Received: Document BG/017/17

The Pro Vice-Chancellor (Research) introduced the report which outlined the steps taken towards the REF 2021 submission. He drew attention to the new strategy adopted along with associated KPIs which enabled robust progress monitoring. In terms of publications, output had grown considerably from the 2014 exercise with more than 300 anticipated in 2017 (151 in 2013) and an expectation therefore that around 50% (27% previously) of staff would be returnable under 2014 rules. Research grant income was also rising as was the number of PhD completions after adoption of the Graduate Teaching Assistant (GTA) scheme in 2012 which supported full-time PhD registrations.

Whilst the final details of the REF 2021 rules would not be confirmed until Spring 2018, consultations had been taking place and changes were anticipated both in the weightings given to the three areas of judgement – Outputs, Impact and Environment - and also, more controversially, to the number of staff to be returned. A requirement to return all research active staff would represent a move to prioritising intensiveness over quality and present significant challenges at Edge Hill given the University's historic base for research output which lay outside the professional Faculties.

In discussion, the following points were noted:

- The grant income attributed to any one year was based on spend rather than the total amount awarded;
- The University was looking to increase grant funding, especially from industry. Engagement in collaborative projects could be particularly helpful in gaining access to a share of large grants and increasing international links would also be useful in this regard;
- The Research Support Office provided good support for bid-writing which was an onerous but important activity whilst the University's research fund was also used to encourage bid development;
- Research-led teaching was an important factor in the recruitment and retention of students.

Noting good progress to date, the Research Report was received.

BG.17.023 Proposed KPI Revisions

*Received: Document BG/018/17
(Clerk's Note: Discussion taken earlier in the meeting)*

The Director of Strategic Planning introduced the paper noting that KPIs were kept under review for relevance as part of an ongoing process reflecting changes to the external and regulatory environment. The intention of the full set of KPIs was to provide an annual overview of performance aligned to the University's Strategic Plan and using the balanced scorecard model.

In terms of proposed changes which were presented for discussion, a number of new measures were suggested around retention, TEF and Research metrics in order to better inform the Board whereas a few existing KPIs could be removed where they were noted in more detail through other reports to the Board. In considering benchmarking, it was suggested that this should be consistently based using either sector or competitor data.

In discussion, it was noted that the current Strategic Plan scheduled to run to 2020 would benefit from review although this might be better left until the external environment for higher education had stabilised.

Specifically, members suggested that it might be helpful to group the KPIs under topic headings. The provision of time-series data against performance targets was identified as especially important in tracking trends. It was noted that reports used a traffic light system to provide a quick indication of any areas that might require particular attention.

In response to a particular suggestion that the KPIs should reflect what success looked like to the Executive team, the Vice-Chancellor indicated that measures of relative advantage were key.

Concluding discussion, **members were invited to send any further comments** to the Clerk for transmission to the Director of Strategic Planning who would provide an updated report to the next meeting.

Action: All

BG.17.024 Equality and Diversity: Annual Report

*Received: Document BG/019/17
(Clerk's Note: Discussion taken earlier in the meeting)*

The Director of Strategic Planning introduced the report which provided an analysis of the equality and diversity data collected from staff and students. He highlighted the following points:

Staff

- Whilst the largest group of staff fell in the 45-54 age group, this was reducing with increases in younger age ranges. In response to a member's question, it was noted that there was no imposed retirement age for staff;
- The proportion of ethnic minority staff was increasing and, although below sector norms, was in line with regional averages;
- The proportion of women employed was above sector norms but was not yet fully reflected in the professoriate.

Students

- The proportion of ethnic minority students remained below sector norms. A specific project had been established within the student recruitment team to make early interventions to address this;
- The increase in young students reflected the decline in part-time professional development programmes which attracted more mature students;
- The gender balance in favour of female students reflected the nature of the University's portfolio but there had been a small increase in the proportion of male students recruited;
- There was some evidence that students with disabilities were more challenged in finding full-time employment following graduation and that BME students within the Faculty of Health had lower retention rates and poorer degree outcomes, though this position was improving.

In response to a member's question, it was noted that there was insufficient LGBT data to produce meaningful analysis and that questions relating to this aspect were completed on a voluntary basis. It was suggested that further efforts should be made to encourage declarations and that a summary of the data collected should be included in future reports.

The annual report on Equality and Diversity was received.

BG.17.025 Capital Projects Update

Received: Document BG/020/17

The Deputy Vice-Chancellor introduced the paper noting good progress on current projects with work completed on the phase 12 residences, the conversion works on the Back Hostels kitchens and the Sporting Edge changing rooms whilst work on the new Library complex was in line with project plans. Members expressed their appreciation of the tour of the Phase 12 residences which was felt to be a very high quality development. It was noted that a bid to resource Phase 13 residences would be brought to Resources Committee.

In reporting the Principal Contractor tender process for the new Library, the Deputy Vice-Chancellor highlighted the work undertaken to widen the pool of firms willing to submit an Expression of Interest but this had only resulted in three submissions of which only two had gone on to tender. Following assessment of initial tenders, the design team had expressed concerns in relation to the validity of the costs identified in one of the submissions received and a second stage tender had been introduced based on a Guaranteed Maximum Price (GMP) approach. The second tender had had reversed the position of the firms in terms of the lowest price and, following a full appraisal, John Turner had been appointed as Principal Contractor. Recognising that this had been a complex set of arrangements, it was agreed that **a more detailed consideration of the process should be referred to Resources Committee.**

Action: Clerk/Deputy Vice-Chancellor

In discussion, it was noted that John Turner had offered excellent service over many years and also offered the best delivery time - a critical feature of any project given the knock-on implications of any delays. In response to a member's question, it was noted that delays on completion of some internal aspects of the Tech Hub had been the result of fit-out issues.

Given the successful relationship developed with John Turner and the continuing challenge to identify realistic competitors, it was suggested that consideration might be given to offering preferred contractor status for a set period of time.

The update on Capital Projects was received.

BG.17.026 Any other Business

There was no other business.

SECTION C ITEMS

BG.17.027 Academic Board minutes (12 July 2017)

Received: Document BG/021/17

The minutes of Academic Board were received.

BG.17.028 Date and time of next meeting

The next meeting is scheduled for 27 November 2017.