

BOARD OF GOVERNORSMinutes of the meeting held on 26 March 2018

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	
John Cater	Vice-Chancellor	Ex-officio
Christine Donnelly	Independent member	
Clive Elliott	Independent member	
Rob Green	Independent member	
Lisa Greenhalgh	Independent member	Deputy Chair & Chair: Audit
Tony Rankin	Independent member	
Louise Robinson	Independent member	
Mike Rush	Independent member	
George Talbot	Academic staff member	Academic Board nominee
Ben Whittle	Student member	Students' Union President

In attendance

Mark Allanson	PVC (External Relations)
Lynda Brady	PVC (Student Experience) & University Secretary
Craig Hutchinson-Howorth	Director of Strategic Planning (for the presentation on KPIs)
Steve Igoe	Deputy Vice-Chancellor
Paul Malone	Students' Union General Manager

Apologies

Paul Aplin	Academic staff member	Elected
Graeme Collinge	Independent member	Chair: Resources Committee
Thomas Dodd	Student member	Elected

The Chair welcomed Rob Green back to the Board after a period of illness and noted that **George Talbot had been re-nominated as a governor by the Academic Board** since the last meeting. Given the time delay to the next meeting of Nominations Committee, **the Board approved this appointment directly.**

BG.17.070 Development and Reporting of University KPIs

(Copies of presentation slides circulated after the meeting and included in the minute book)

The Director of Strategic Planning gave a presentation outlining the linkage between the Strategic Plan, performance measures and the risk framework. He highlighted the specific areas for measurement and how the KPIs were derived noting that benchmarking and target data were included where appropriate/available. Particular attention was given to a proposed new high-level summary sheet to accompany the more detailed information. This used a variation on the traffic light indicator system to provide a quick visual check on performance and included 3 year trend data.

It was noted that some additional indicators were included in the report which were not directly linked to the Strategic Plan such as newspaper league table positions. Responding to a member's query as to the absence of diversity indicators, the Director of Strategic Planning indicated that a separate diversity report was prepared for the Board annually which contained a range of indicators relating to staff and students.

In response to members' queries about the adaptability of the report to reflect a rapidly changing environment, especially in relation to new areas of interest such as the establishment of a new medical school and OfS requirements, the Director of Strategic Planning noted that, whilst the core business of the University would always be the basis for KPI reporting, new indicators could be added as necessary. As an example, the Knowledge Exchange Framework was cited as an area for future consideration. It was further noted that data could be presented in relation to 'themed' areas if required.

Members also queried the timescale for the development of a new Strategic Plan and the impact on KPIs. Accepting that some interim realignment of KPIs may be appropriate to reflect the changing environment, the Deputy Vice-Chancellor suggested that, given the current state of flux in the HE environment, it would be premature to

start the necessary consultations with respect to a new Strategic Plan at this stage.

Responding to a query as to the timing of reports, the Deputy Vice-Chancellor noted that the KPI report was generally produced on a termly basis but that, given many indicators followed an annual cycle, focus would be placed on those that were subject to change at the time of the meeting.

Concluding discussion, the Chair thanked the Director of Strategic Planning for his concise and informative presentation and it was **RESOLVED to approve the new format KPI reporting as presented.**

Action: Director of Strategic Planning

BG.17.071 Declarations of Interest

There were no Declarations of Interest specific to the meeting.

BG.17.072 Chair's Announcements

.01 Board Cover Sheets

The Chair drew attention to the revised cover sheets in use for Board documentation which were designed to identify key issues and focus discussion. **He asked that those presenting papers adhere to the new format.**

Attention: Clerk/Executive

BG.17.073 Chair's Action

.01 Membership of the Board

[REDACTED]

The Board approved the Chair's Action taken.

BG.17.074 Minutes of the previous meeting

Received: Document BG/047/17

The minutes of the strategy meeting held on 29 January 2018 were agreed and signed by the Chair as a correct record.

Whilst noting that the last meeting had been atypical, focusing on presentations from the Deputy Vice-Chancellor and the three Faculty PVC/Deans, **a request was made to the Clerk to ensure minutes fully reflected the robust nature of discussion where appropriate.**

Action: Clerk

BG.17.075 Action Log

In noting the actions arising from the last meeting, the Clerk reported that a tour of the Faculty of Health and Social Care facilities would take place immediately prior to the next Board meeting and that the International Strategy and development of the next Strategic Plan would be the subject of future agenda items.

The Vice-Chancellor reported that he had relayed the Board's opposition to the proposal from the University of Central Lancashire to change its name to the University of Lancashire. He had received an acknowledgement but was not aware of any further developments on this matter.

The Action Log was **received**.

BG.17.076 Matters arising not included elsewhere on the agenda

There were no other matters arising.

SECTION A ITEMS

BG.17.077 Minutes of Committees

*01. **Nominations Committee** (19 February 2018)*

Received: Document BG/049/17

The Chair introduced the minutes highlighting the following points:

- The Committee had authorised the Clerk to commence a new recruitment round. In response to a member's query concerning the need to cover appropriate attributes and expertise, the Clerk indicated that HR had been asked to target placement of the advertisement to encourage applications which would extend the Board's diversity and address current gaps in the Board's skills matrix.

The Chair raised the need to ensure the Board was appropriately constituted to take account of the operation of the new medical school and a further query was raised as to whether all PVC/Deans should attend future meetings. **It was RESOLVED that these matters should be referred to Nominations Committee for deliberation.**

Action: Clerk

- The Chancellor would complete her term of office at the end of July 2018 and the Honorary Awards Committee had initiated a nominations process for a replacement.
- The Clerk would be preparing a report on attendance levels for consideration at the next meeting of the committee.
- Members were encouraged to support the 'Wonder Women' campaign and the range of associated events which celebrated the 100th anniversary of women's suffrage. The Vice-Chancellor drew attention to a new addition to the list with Nicky Morgan speaking on 4 October. It was noted that, in response to a governor suggestion, Rosie Mckenna from the Students' Union would be attending the May Board meeting to report on her experience in seeking to encourage women students to take on higher profile roles.
- On recommendation from the Committee, **the Board RESOLVED to approve minor amendments to the Terms of Reference for Nominations Committee.**

Action: Clerk

The Nominations Committee minutes were **received**.

.02 Resources Committee (19 February 2018)

Received: Document BG/050/17

In the absence of the Chair of the Committee, the Chair of the Board introduced the minutes and highlighted the following points:

- Discussion of the financial performance of the Students' Union outlined in their audited accounts and the remedial actions being taken.
- The excellent progress report received from the Dean of Learning Services in relation to the planning process for the design, fit-out and move to the new Catalyst building.
- Discussion in relation to the Estates Strategy and the reducing capital commitment over the next few years which reflected likely income projections.

The Resources Committee minutes were **received**.

.03 Audit Committee (5 March 2018)

Received: Document BG/051/17

The Chair of Audit introduced the minutes highlighting the following points:

- Progress on the appointment of Internal Auditors. The Chair reported that, following a tender process, three companies had been interviewed on 12 March with the Selection Panel recommending RSM UK for appointment.

The Board RESOLVED to approve the appointment of RSM UK as Internal Auditors for the University with effect from 1 August 2018. The contract to run for three years with a two year extension option.

Action: Deputy Vice-Chancellor

- Receipt of the PwC Faculty Audit and the HEFCE Assurance Review report both of which were scheduled for separate discussion later in the meeting.

The Audit Committee minutes were **received**.

.04 Remunerations Committee (29 January and 19 February 2018)

Received: Document BG/052/17

The Chair of Remunerations introduced the report noting the response submitted to the consultation on the CUC draft Remuneration Code and the ongoing work of the committee in developing a pay and reward policy for senior postholders which would come to the Board for approval.

The report from Remunerations Committee was **received**.

BG.078.17 PwC Faculty Assurance Review

Received: Document BG/054/17

The Chair of Audit introduced the report which had been commissioned specially by the Audit Committee to provide assurance that, following the significant fraud perpetrated by Robert Smedley and Christopher Joynson, all internal control issues had been fully addressed. She highlighted that, whilst the fraud itself had emanated from the Faculty of Education, the review had considered the operation of controls across the University. She indicated that this was a positive report with no failings identified and that the Board could take significant assurance from the findings. A small number of enhancement recommendations had been made which had either been accepted by management or would be subject to further discussion at Audit Committee.

The Deputy Vice-Chancellor indicated that all associated data issues with HEFCE and NCTL had now been resolved.

The Board **welcomed** and **received** the Faculty Assurance Review report.

BG.079.17 Management Information January 2018

Received: Document BG/053/17

The Deputy Vice-Chancellor introduced the accounts noting that these reflected the position as at the end of January. He indicated that the University was now expecting a small increase in the surplus projection for 17/18 to £16.717 million but that the 18/19 position would be lower given a fall in recruitment figures. Gap savings in staff costs were now showing whilst the cash position at £34 million was ahead of budget largely due to a lag in capital expenditure. He indicated that the position next year was likely to be more challenging.

In a lively discussion, members raised a number of issues:

- i. *The long-term impact of the reduction in demand for catering services:* It was noted that this was affected by the increased provision of self-catered accommodation and the move away from catered packages which were less popular. Catering services were also affected by increased on-site competition such as Subway. The Deputy Vice-Chancellor reported that Catering was an in-house service with no margin on activity but was required to operate on a competitive basis and take account of changing circumstances in its plans and budgets. In response to a member's question, the Vice-Chancellor indicated that the University did not operate zero hours contracts but did offer flexible working through some term-time only provision. A member suggested that students should be made more aware of the fact that there was no profit from the University's catering provision.
- ii. *The implications of consistently returning significant surpluses:* The Vice-Chancellor affirmed that the motivation for the surpluses generated in recent years was geared to the need to reinvest in expanding provision and developing services and facilities to enhance the student experience in line with planned objectives and without reliance on borrowing – an approach supported by the Board. He indicated however that the OfS could view the generation of significant surpluses in a more negative light with possible consequences on areas such as fee levels and there was some advantage in the University not being seen as an outlier in terms of this aspect of financial performance. Reductions in student numbers would lead to a natural decline in University surpluses over the next few years in any event.

- iii. *The University's position with respect to gender pay reporting:* The Vice-Chancellor reported that, whilst the final report was not yet available for publication, the results would show that women were paid more than men in seven of the eleven grades but less for the most senior roles (where women were less represented) and less overall. He drew attention to the impact of operating in-house catering and cleaning services which included predominantly lower-paid roles and was largely staffed by women. **It was noted that the gender pay report would be considered by Resources Committee at its next standard meeting.**

Action: Clerk

- iv. *The University's position in terms of long-term investment:* Responding to a query as to whether the University should consider more long-term investment opportunities, the Deputy Vice-Chancellor pointed to the need to maintain a healthy cash flow given the fluctuations in income receipts from the Student Loans Company and to support the ongoing funding required for capital developments. In relation to initial talks about joint property development with the local council some while ago, the Vice-Chancellor reported these had not proved fruitful and, with demand for accommodation now at a lower level, this would not be the right time for this kind of investment. It was further noted that, whilst the covenants with Barclays currently prevented the University paying down existing debt, this would be a priority should circumstances change.

The January 2018 Management Information report was **received**.

BG.080.17 HEFCE's Letter of Institutional Risk (Confidential Item)

Received: Document BG/055/17

The Board **received** HEFCE's Letter of Institutional Risk and noted the work of the Executive in securing appropriate revisions.

SECTION B ITEMS

BG.17.081 Vice-Chancellor's Report

Received: Document BG/056/17

The Vice-Chancellor introduced his report drawing attention to the following points:

- The recent notification that the University had been awarded a new medical school was extremely pleasing and, although there would be resource implications, it would add significantly to the University's prestige and reputation. It demonstrated there was confidence in the institution. He noted that this had been a competitive process and he paid particular tribute to the staff responsible for compiling the bid which had been exceptional and very distinctive. The provision approved was small at an initial 30 student intake but opened up long-term opportunities for both domestic and international recruitment;
- The recent government announcement of a Higher Education Review added further level of uncertainty for the sector;
- The recently published Destination of Leavers of Higher Education (DLHE) data represented a further step up for the University with 96.5% of graduates in employment or further study and 82.4% in graduate level jobs which was a significant improvement on previous years and an excellent outcome. In addition, the University was in the top 20 for student experience in the Times Higher survey – a performance that it was hoped could be repeated in the National Student Survey (NSS);
- In terms of retention, further efforts were required to ensure that student end-of-year outcomes fully reflected their capacity to progress;
- Some early investment would be necessary following the medical school announcement and, in particular, the need to move quickly to redesign the buildings vacated by the Library move to the Catalyst building so that the LINC building could be released for use as a clinical skills area. As previously identified at Resources Committee, a £4.5 million budget for upgrading work would allow for the development of the Student Information Centre which would

become a focus for Academic Registry and Marketing; the relocation of Psychology and Law and Criminology to the old Library building which would also have provision for generic teaching facilities; the release of the current Psychology building for the non-professional work in the Faculty of Education and the subsequent availability of 57 St Helens Road to be re-envisioned as a 'crime scene' facility. In terms of minimising disruption, it would be preferable for as much of this activity as possible to be undertaken over the summer and the Vice-Chancellor indicated this would require an early meeting of Resources Committee to consider the necessary approvals.

It was RESOLVED that an early meeting of Resources Committee should be convened to discuss proposals in full.

Action: Clerk

In discussion, members raised a number of issues:

- i. *Progress on the Alder Hey negotiations:* The Deputy Vice-Chancellor indicated that, following a quiet period, negotiations were now moving ahead on the basis proposed by the University and approved by the Board. Final contracts were yet to be agreed and the **Chair suggested that detailed costings for the proposal could be added to the agenda for the early meeting of Resources Committee.**

Action: Clerk

- ii. *Medical School – Reasons for the award, Leadership and associated course provision:* In response to members' questions, the Vice-Chancellor indicated that, in establishing new schools, the government had been looking for innovative provision which supported entry for working class students and encouraged them to commit to their communities on graduation. The Edge Hill bid had addressed these issues with a focus on general practice, health promotion, psychiatry and community health care.

In terms of leadership, it was noted that it had not been possible to make a permanent appointment at this stage and that finding the right person was critical. In the meantime, Professor Clare Austen, Associate Dean in the Faculty of Health and Social Care, had accepted interim responsibility. **The Chair suggested that**

Professor Austin should be invited to a future meeting to provide a more detailed overview of this important development for the University.

Action: Clerk

Responding to a query on the depth of supporting course provision, the Vice-Chancellor acknowledged the need to step up biomedical sciences work. Members indicated that this could provide fruitful ground both as a feeder to the medical school and as an alternative for those medical applicants who failed to gain a place.

Concluding discussion on this matter, members congratulated the University on the successful bid which marked a significant step in the University's history.

- iii. *The University's response to recruitment challenges:* The Chair sought assurance with respect to the current challenges to traditional recruitment citing the likely increase of Alternative Providers, on-line competition and the introduction of the subject level Teaching Excellence Framework (TEF) data as indications of a more testing environment. In acknowledging the increasing pressures, the Vice-Chancellor pointed out that competition from Alternative Providers was limited with a particular focus on specific professional areas such as accountancy and law and that on-line provision was a specialist field which, under the current fee regime, was itself under threat as demonstrated by the substantial redundancy programme recently announced by the Open University. The Pro Vice-Chancellor (Student Experience) indicated that she was working with the Vice-Chancellor to deliver workshop sessions on the subject level TEF to ensure all Departments were appropriately prepared. The Vice-Chancellor also indicated that, in the light of a recent NUS report on Value for Money, the University could make more of the fact that, unlike many other institutions, Edge Hill did not make any additional charges for required course-based activities such as field trips
- iv. *Actions to address Retention issues:* In response to a member's question, the Vice-Chancellor indicated that the vulnerability of certain groups was well understood with male students more likely to drop-out than females, those who lived at home rather than as part of the student community and those who entered with non-

traditional qualifications. The perceived prestige of the institution was also an influencing factor. The Pro Vice-Chancellor (Student Experience) reported that every Department was required to consider the issues that affected their students and to have an Action Plan in place. There was a University Group established to look at Induction and Transitions which were known to be times when students were more likely to withdraw. It was also noted that there was a sector-wide project on Retention which had been established to identify good practice.

Concluding discussion, the Board **received** the Vice-Chancellor's report.

BG.17.082 Students' Union Report

Received: Document BG/057/17

The President of the Students' Union introduced the report which provided an update on the various projects which had been outlined for specific activity at the beginning of the year.

In response to a query from the Chair, the President reported that, whilst other members of the Union were currently attending NUS conference, he had decided that, given EHSU's lack of involvement with much of the NUS political agenda, he had chosen not to attend but to continue to provide support to students on site.

In response to a member's question, the Pro Vice-Chancellor indicated that this was an excellent report showing a great deal of progress. **It was noted that the inclusion of targets and comparisons would be helpful additions.**

To note: Students' Union President

The Board **received** the Students' Union Report

BG.17.083 Capital Projects Update

Received: Document BG/058/17

The Deputy Vice-Chancellor introduced the report highlighting the following points:

- The cash spend related to the Catalyst building was running behind but delays to the work were largely weather related and it was expected that this would be made back;
- Public realm work was an important part of the Catalyst project and planned development would be undertaken towards the end of the build;
- The Phase 13 residential development had been pulled back in response to student feedback in relation to noise but was still expected to complete on time;
- All projects were expected to complete within budget.

The Board **received** the Capital Projects Update report.

BG.17.084 Access and Participation Plan 2019/20

Received: Document BG/059/17

The Pro Vice-Chancellor (Student Experience) introduced the Plan noting that this was a required submission to the Office for Fair Access (OfFA) for those institutions charging higher level fees and replaced the previous annual Access Agreement. The purpose of the Plan was to set out how the University intended to support the widening participation (WP) agenda through access, success and progression initiatives and institutions were expected to set stretching targets. Final submission was due in May and, given the timing issues, Board approval was being sought for the University's general approach with the full Plan coming to the next Board meeting for information. The following points were highlighted:

- The University intended to maintain full-time undergraduate fees for 2019/20 at £9,250 which was the current maximum;
- The majority of students at the University had at least one WP characteristic so it was important that much of the financial support provided was mainstreamed to maximise the benefit. This would continue to be based around enabling engagement, attracting excellence and enhancing extra-curricular study opportunities;

- The University would continue to focus some specific activity working with a small number of target groups where the University felt it could make a real difference such as young white males from disadvantaged backgrounds, Care Leavers and Young Adult Carers;

The Pro Vice-Chancellor (Student Experience) reported that she had received and responded to a number of queries received from a member of the Board prior to the meeting and **it was agreed that this correspondence should be circulated for information to all members.**

Action: Clerk

In response to a member's question, it was noted that the associated targets and KPIs would accompany the full documentation at the next meeting.

The Board RESOLVED to approve the approach and fee level outlined in the Access and Participation Plan document for 2019/20.

Action: Pro Vice-Chancellor (Student Experience)

BG.17.085 OfS Regulatory Framework

Received: Document BG/060/17

The Pro Vice-Chancellor (Student Experience) introduced the paper which outlined the implications for the University of the transfer to the Office for Students (OfS) as the new regulator for the Higher Education sector. This heralded a significant change in the relationship between providers and the regulator with the OfS more concerned with compliance and regulation than the dialogue and advice which had characterised relationships with HEFCE. The four major regulatory objectives were focused on the protection of students and student outcomes with institutions required to meet baseline requirements in relation to access and success, quality and student protection, employment outcomes and value for money. The OfS had also committed to maintaining academic freedom and institutional autonomy. After initial registration with the OfS, ongoing compliance would be assessed using a light touch, risk-based approach with

around 5% of providers randomly identified for a more extensive assessment each year.

In terms of initial priorities, the University would need to complete the registration process for the OfS during April/May and the requirements for this were summarised in the Action Plan at the end of the document. Whilst much of the information required could be taken from existing sources, a not insignificant amount of new work was required and the Pro Vice-Chancellor drew particular attention to the following areas:

- *Compliance with Consumer Protection law:* This required the University to demonstrate how compliance is achieved through a self-assessment of the development and implementation of policies, procedures and terms and conditions;
- *The development of Student Protection Plans:* Whilst this was a new criterion, the University had well established procedures for instances of module or course closure. There was a sector-wide group looking at the requirement to cover instances of campus or institutional failure;
- *Public Interest Governance and Management and Governance:* These areas required self-assessments which would be compiled by the Pro Vice-Chancellor working in conjunction with the Clerk to the Board.

In discussion, it was noted that the decision to remove the basic registered category of provider from OfS regulation would leave a large number of unregulated providers still operating in the sector with no protection for students which was somewhat at odds with the declared aims of the OfS. It was further noted that some additional personal information might be required from governors to complete the registration process.

Concluding discussion, the Board **noted** the new requirements of the OfS and **RESOLVED to receive further updates on the University's associated Action Plan at future meetings.**

Action: Pro Vice-Chancellor (Student Experience)

BG.17.086 Key Performance Indicators (annual update)

Received: Document BG/061/17

Noting discussions earlier in the meeting, the Board **received** the report which highlighted continuing challenges in terms of recruitment but improvements in retention rates, the proportion of good degrees awarded and the number of students entering graduate level jobs.

RESERVED ITEM

BG.17.087 HAR and Supplementary Report

BG.17.088 Any other Business

.01 PREVENT Annual Statement

The Pro Vice-Chancellor (Student Experience) reported that the PREVENT annual statement had been accepted with a minor recommendation to update refresher training which was being implemented.

SECTION C ITEMS

BG.17.089 Academic Board minutes

Received: Document BG/063/17

The minutes of the meeting held on 22 November were received.

BG.17.090 Wonder Women Campaign Events

Received: Document BG/064/17

The document was received.

BG.17.091 Date and time of next meeting

The next meeting is scheduled for 14 May 2018.

