

## BOARD OF GOVERNORS

Minutes of the meeting held on 10 July 2023

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### Present

Clive Elliott	Independent member	Chair of the Board
Julian Bucknall	Independent member	
John Cater	Ex-Officio	Vice-Chancellor
Graeme Collinge	Independent member	
Leon Culbertson	Academic Board nominee	
Christine Donnelly	Independent member	
Amanda Fulford	Teaching staff member	Elected/Co-opted
Maggie Lam	Student member	<i>[Following item BG.22.139a]</i>
Antony Lockley	Independent member	
Maxine Melling	Independent member	
Jo Nettleton	Independent member	
Mike Rush	Independent member	
Mike Tate	Independent member	Chair: Audit Committee

### In attendance

Mark Allanson	Pro Vice-Chancellor (External Relations)	
Lynda Brady	Pro Vice-Chancellor (Student Experience) & University Secretary	
Steve Igoe	Deputy Vice-Chancellor	
Paul Malone	Chief Executive, EHSU	
Rhona Morris	Governance, Projects & Policy Manager	Secretariat

### Apologies

Lauren King	Student member	
Louise Robinson	Independent member	Vice Chair of the Board
Helen Smallbone	Clerk to the Board	

**BG.22.138    Declarations of Interest**

None

**BG.22.139    Chair's Announcements**

*.01 Board membership*

Maggie Lam, the recently elected President for Education, was presented as the Students' Union (SU) nominee for membership of the Board. The Chair confirmed that she had declared her fit and proper person status in line with the Office for Students (OfS) definition. **The Board approved Maggie's membership to the Board.**

*.02 Julian Bucknall*

Governors noted the many contributions Julian Bucknall has made to the Board over two terms, particularly highlighting his insightful questioning and determination to understand the student experience. The Vice-Chancellor also offered his thanks on behalf of the Executive and the wider University.

Julian thanked colleagues for their warm wishes and noted that his experience on the Board had been both positive and reassuring.

The Chair has written formally to Julian thanking him for his service as a Resources Committee and Board member.

*.03 Pro Vice-Chancellor (External Relations)*

Mark Allanson, Pro Vice-Chancellor (External Relations) will retire from the University on 30 September 2023. To ensure continuity, the Vice-Chancellor intends to make an interim internal appointment. Staff will be informed of Mark's departure and reassured about interim arrangements shortly.

*.04 Presenting Items*

In line with the Board's standards, all items will be taken as read in meetings. Presenters were reminded only to provide new information in their introduction.

**BG.22.140 Chair's Action**

There was no Chair's Action to report.

**BG.22.141 Minutes of the previous meeting**

*Received:* Document BG/112/22

The minutes of the meeting held on 19 June 2023 were agreed as an accurate record.

**BG.22.142 Action Log**

*Received:* Document BG/113/22

Members noted that all items had either been actioned or were in progress. The Chair reminded governors that the Secretariat will undertake a review of all outstanding actions over the summer break.

The Action Log was received.

**BG.22.143 Matters arising not included elsewhere on the agenda**

There were no matters arising.

<b>SECTION A ITEMS</b>
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**BG.22.144 Student Report**

*Received:* Document BG/114/22

*Reported:* The SU representative introduced her first paper to the Board. She confirmed that the information remained accurate.

*Discussed:* In discussion, the following information was noted:

- The Chief Executive of Edge Hill Students' Union (CESU) intends to share the SU's new Strategic Plan with the Board once it has been approved by the SU's own trustees. He will liaise with the Secretariat to ensure that it is added to the Board's agenda at an appropriate time.

**Action: CESU/Secretariat**

- Governors offered their congratulations to the SU for retaining a gold award for the bar team. This is the fifth successive gold award, and the highest overall score achieved by the SU, placing them second nationally. Particular acclaim was given to the SU's work on mental health and student well-being.

*Agreed:* To receive the Student Report.

**BG.22.145 At the Halfway House: The 2020-2025 Strategy 30 months in...and thoughts on a 2025-30 Strategic Plan**

*Received:* Document BG/115/22

*Reported:* The Vice-Chancellor introduced his report highlighting its four significant themes: the need to be agile, efficient, known, and valued. He noted the importance of these four pillars to secure the University's future aspirations. The paper provided a broad contextual overview which will underpin the probable strands of the next strategic plan. The recruitment, retention, satisfaction, and success of full-time undergraduate students will continue to form the University's main activity and, therefore, continue to shape its ongoing priorities.

*Discussed:* In discussion, the following information was noted:

- The University's graduate outcomes are excellent and continue to improve. However, with the withdrawal of emergency regulations, the amount of 'good degrees' has now returned to their slightly lower pre-pandemic levels. The Vice-Chancellor drew a link between the two sources of data, noting that a reduction in 'good' degrees may impact on both league table positioning and the attainment of graduate employment for individual students. Nevertheless, it is a sign of the University's robust and appropriate academic standards and integrity. Governors noted that the Regulator had previously expressed concern about other providers artificially inflating grades.
- The Vice-Chancellor is continuing to work on establishing a new marketing strategy to ensure the development of the University's brand and reach. This includes a plan to articulate the University's

differences from others in the sector in order to generate curiosity amongst those who are unfamiliar with the University or the local area. The Vice-Chancellor was working on a role description for the interim replacement for the Pro Vice-Chancellor (External Relations), which will have a stronger focus on marketing and recruitment. The Marketing Strategy will be presented to the Board in due course.

- The University's success is critically dependent on the strong positive culture set by the Vice-Chancellor and his direct reports. The ethos inculcated throughout the University supports staff and student satisfaction, which in turn attracts applicants and drives innovation. Governors noted that the Vice-Chancellor personally was central to the cultivation of this culture.
- The University has invested millions of pounds into the campus in recent decades, creating a cohesive and attractive environment. While many in the sector are struggling financially, the University intends to continue investing in the short and medium-term, helping to generate relative advantage. The University will work with local and regional partners to secure optimal benefits, including the ongoing development and potential future expansion of the Ormskirk estate. Governors noted that this can only be considered thanks to the excellent management of the University's finances.
- The Faculty of Health, Social Care, and Medicine continues to be a significant growth area, both in terms of students and partnerships and research. The recently published NHS plan will inform the University's strategy for healthcare. Initial conversations had already taken place to identify risks and opportunities, which include possible collaboration with other providers.
- The University's programmes in public services, namely education and healthcare, have driven its reputation in recent years. However, planned expansion into greater STEM provision will further boost the University's brand and reputation. The Vice-Chancellor updated the board on key staffing appointments to new areas of academic provision.
- Private sector partners are keen to work with universities in order to drive forward their innovation and centres of excellence. Edge Hill is already capitalising on this where possible, particularly in healthcare and computing. The Careers team is consistently working with local

and regional organisations, helping to foster relationships which can eventually lead to partnership arrangements.

- The Vice-Chancellor was also asked to agree with the Chair ways for governors to be informed of ongoing progress against the key elements highlighted in his strategy paper, namely:
  - Points of differentiation
  - Brand and marketing
  - Student experience
  - Tone and values
  - Investment signposting
  - Alignment with industry

Governors noted that these reports should include explicit reference to strategic risk.

**Action: Vice-Chancellor**

- In terms of the process by which the next Strategic Plan will be developed, governors noted that a significant portion of the next Strategic and Development Day had been allocated to this activity. In the meantime, the Chair and Vice-Chancellor will identify an appropriate and evidence-based process for governor involvement in the forming of the new Plan. Governors requested that this includes consideration of hard data sources.

**Action: Chair/Vice-Chancellor**

The Vice-Chancellor was thanked for providing an excellent paper which had stimulated high-quality discussion.

*Agreed:* To receive At the Halfway House: The 2020-2025 Strategy 30 months in...and thoughts on a 2025-30 Strategic Plan

**BG.22.146 Review of the Financial Strength and Covenant of Edge Hill University**

*Received:* Document BG/116/22

*Reported:* The Deputy Vice-Chancellor (DVC) introduced the report, noting that he had commissioned it to demonstrate the University's financial sustainability. This had been pivotal to his successful negotiations to

protect the University from increased contributions to the Local Government Pension Scheme (LGPS).

*Discussed:* In discussion, the following information was noted:

- The Lead Governor: Finance welcomed the report and highlighted that it provided an additional and independent source of assurance for the Board on the University's financial position, alongside internal and external audit reports, and the regular papers provided by management. All four sources provide similar insights, indicating a healthy position.
- Governors welcomed the presentation of the financial performance elements of the paper and asked managers to consider adopting a similar style for internally-produced reports.
- The report provided evidence that the University was in a strong financial position and therefore offered no greater risk to the LGPS fund than local councils, which had been held to be safer. The pension provider accepted this argument and applied a discount from 1 April.

*Agreed:* To receive the Review of the Financial Strength and Covenant of Edge Hill University

**BG.22.147 Edge Hill University and its Subsidiaries: Draft Operating Budget 2023/24**

*Received:* Document BG/117/22

*Reported:* The DVC introduced the proposed Operating Budget for 2023/24. He confirmed that no material changes had been made since the presentation of the Draft copy in June. As requested by governors at that session, a comparison against the Late Mid-Year Reforecast had been added to the narrative.

*Discussed:* In discussion, the following information was noted:

- Budgets for infrastructure and resources are determined on an individual basis based on a business case and the University's cash reserves. Individual service departments and academic faculties are allocated an annual budget based on departmental submissions. These are discussed in detail at meetings comprising the DVC, Director of Finance and departmental representatives. Issues

arising from these meetings are considered within the institutional context and resolved by the Executive.

*Agreed:* **To approve the Edge Hill University and its Subsidiaries: Draft Operating Budget 2023/24**

**BG.22.148 Board Assurance Framework Reporting (inc. full list of KPIs)**

*Received:* Document BG/118/22

*Reported:* The DVC introduced the Board Assurance Framework (BAF). He reported that the current BAF report made reference to the challenges posed at the last Audit Committee meeting, which were reported to the Board in June. The DVC has also commissioned the University's internal auditors (RSM) to focus on the issues raised as part of their scheduled review of the BAF's implementation.

The DVC highlighted the emerging risk presented by the University's existing student records system, which is failing to address contemporary needs. Replacing the system would be a large investment, requiring significant undertakings to mitigate substantial associated risks. The Director of Student Recruitment and Administration will present an options paper on the potential replacement of the system to governors for discussion in September.

**Action: Director of Student Recruitment & Administration**

*Discussed:* In discussion and in response to questions, the following information was noted:

- Audit Committee members welcomed the agreement for RSM to explore the concerns raised about the June BAF report. They will convene on 20 July to refine the terms of reference drafted for the audit.

**Action: Audit Committee**

- Student satisfaction is critical to the University's operations and viability. The results of this year's National Student Survey (NSS) will be published on 10 August. Following receipt of the results, the University will trigger a robust, multilevel process through which departments identify issues or enhancements and set actions for



the following 12 months. These action plans are closely monitored by the Pro Vice-Chancellor Deans of each Faculty. The Student Enhancement Group also considers institutional level results, analysing trend and benchmark data.

The Pro Vice-Chancellor (Student Experience) & University Secretary (PVC (Student Experience)) reported that, as the questions for the NSS have changed this year, it would be difficult to undertake meaningful comparative analysis against previous years' surveys. Nevertheless, the University sought to make relative progress against other providers. A full report on the results will be provided to the Board in September.

- Governors noted some concerns in the BAF narrative around support staff satisfaction, most notably around morale, progression, recruitment and retention. The DVC questioned the presentation of this information and offered to meet with the Lead Governor: BAF Reporting to provide further assurance.

**Action: DVC/Lead Governor: BAF Reporting**

- Governors noted some inconsistencies in the colour coding of the RAG rating throughout the report and asked the DVC to ensure that ratings were consistent throughout future reports. To enhance reporting, he was also asked to ensure that future reports more explicitly reference strategic performance, risk and associated mitigations.

**Action: DVC**

*Agreed:* To receive the Board Assurance Framework Reporting (inc. full list of KPIs)

**BG.20.149 Board Development and Effectiveness Review: Relationship with the Audit Committee**

*Received:* Document BG/119/22

*Reported:* The Chair of the Audit Committee introduced the item, which had emerged from feedback provided by governors as part of the ongoing Development and Effectiveness Review. This suggested the need to clarify the relationship between the Board and the Audit Committee. He highlighted in particular his view that the Board as a whole should have

a stronger relationship with strategic risk and invited members' feedback.

*Discussed:* In discussion, the following information was noted:

- The BAF is still a relatively new governance mechanism at Edge Hill and continues to be enhanced in line with governors' feedback. In its original design, governors agreed that the BAF would be owned and discussed in detail by the Audit Committee, with strategic risk raised to the Board's attention by exception. The Chair of the Audit Committee queried whether this practice was sufficiently robust to give the full Board assurance on risk management. He welcomed the increased discussion on the BAF item at this evening's meeting.
- Introducing risk responsibilities into Lead Governors' role descriptions may make the roles unmanageable for some governors with work or family responsibilities. Governors noted that other providers operated on this basis, but raised concerns that additional work for Lead Governors may also blur the lines between governance and management.
- There was general consensus that the Board could take a more active interest in key risks and should discuss them in detail regularly and explicitly. Following collaborative discussion, members agreed that this should take two lenses:
  1. A requirement for risk to form an explicit part of any paper, and associated discussion, on strategy or strategic development.
  2. To schedule a Section A discussion item in the month following each meeting of the Audit Committee to consider priority risks.

The DVC was asked to lead on the development of this item.

**Action: DVC/Secretariat**

*Agreed:*

- i.* To adopt the revised approach to consideration of risk by the Board of Governors
- ii.* To receive the Board Development and Effectiveness Review: Relationship with Audit Committee report

**BG.20.150 OfS Annual Assurance Report**

*Received:* Document BG/120/22

*Reported:* The PVC (Student Experience) introduced the item and confirmed that there was nothing to add to the circulated report.

*Discussed:* In discussion and in response to questions, the following information was noted:

- The University's progression data is generally good, particularly for its undergraduate programmes. The OfS' recent data release indicated that a small number of programmes were below the expected threshold. However, following detailed analysis of the metrics and underlying data, the University was confident that it would not be in breach of any of the Regulator's expectations.
- In relation to continuation and completion, the OfS had accepted the University's recent request for data amendments. This related to historical data in a small number of taught postgraduate programmes.
- The University volunteered to take part in the first wave of the new Access and Participation Plan submissions, running a year ahead of most providers. The submission was made in early July and the University anticipates a response from the Regulator in the autumn.

*Agreed:* To receive the OfS Annual Assurance Report

**BG.20.151 Protecting the Interests of All Students: Annual Report**

*Received:* Document BG/121/22

*Reported:* The PVC (Student Experience) introduced the item. She noted that it intended to provide specific and detailed assurance on the protection of students' consumer interests. This is particularly pertinent at present due to sector-wide industrial action and the consequent inability of some providers to award degree classifications to graduands. The PVC (Student Experience) anticipated that this action may trigger breach of contract claims for those providers. Edge Hill has not been widely affected by the Marking and Assessment Boycott and will issue marks to all students in line with the standard process.

*Discussed:* Governors confirmed that the report was clear and provided all necessary information for them to gain assurance.

*Agreed:* To approve the Protecting the Interests of All Students: Annual Report

<b>SECTION B ITEMS</b>
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**BG.22.152 Update from Committee Chairs: Remuneration Committee (20 June 2023)**

*Reported:* In the absence of the Committee Chair, the Chair of the Board reported on the Remuneration Committee meeting, noting the following highlights:

- The Committee considered a report on management and professorial pay and agreed the financial envelope for remuneration of senior staff.
- The Chair and Vice-Chair of the Board reported on the Senior Post Holders' appraisals, allowing the Committee to discuss their performance and approve their remuneration arrangements. The Chair thanked all governors for their contribution to the Vice-Chancellor and DVC's draft objectives for 2023/24. The final targets will be shared with governors once confirmed.
- After a full review against the 2021 CUC HE Senior Staff Remuneration Code, the Policy on Activity Undertaken for External Bodies by Senior Post Holders of Edge Hill University was approved with no material amendments.
- The Committee's terms of reference for 2023/24 were approved. They will be published on the University's website shortly.

**Action: Secretariat**

The Committee will reconvene in the autumn term to begin a review of the Framework for Staff Remuneration and Conditions of Service. This will be presented to the Board for approval in due course.

*Discussed:* Governors confirmed that the report was clear and provided all necessary information for them to gain assurance.

*Agreed:* To note the update on the Remuneration Committee meeting.

**BG.22.153 Scheme of Delegation 2023/24**

*Received:* Document BG/122/22

*Reported:* The Governance, Projects & Policy Manager introduced the report. She observed that the Scheme of Delegation had undergone a major evaluation in 2021/22 to ensure that it met the Board's contemporary needs. The result of this exercise remained generally relevant, but some minor amendments were recommended to reflect changes to

- regulatory requirements for Access and Participation Plans
- the Lead Governor Scheme

*Discussed:* Governors confirmed their satisfaction with the proposed minor amendments.

*Agreed:* To **approve** the Scheme of Delegation 2023/24

**BG.22.154 SU Operating Budget**

*Received:* Document BG/123/22

*Reported:* The CESU introduced the report noting that the presentation was slightly different to previous iterations. He highlighted some uncertainty for the SU in the short-term, generated by the temporary transition to the Red Bar facilities, and eventually to the new building. The SU have therefore produced a conservative budget to allow greater understanding of students' engagement and behaviours under the new arrangements.

*Discussed:* In discussion, the following information was noted:

- The SU has dual income streams comprising the block grant from the University, and the SU's commercial activity. A sizeable proportion of this income is used to subsidise student engagement activity.
- The SU has healthy cash reserves which are being used by the trustees in line with their agreed reserves policy. The SU may look to undertake more investment activity in the future to utilise these reserves.

*Agreed:* To receive the SU Operating Budget

**BG.22.155 Any other business**

The Chair reminded members that September's meeting will be preceded by an informal tea and cakes session for governors. This will include an informal discussion on the behaviour principles, in line with the Board's Culture Framework.

<b>SECTION C ITEMS</b>
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The following items were received for information:

**BG.22.156 Freedom of Speech: Update** (*Document BG/124/22*)

**BG.22.157 Audit Committee Summary Report (June 2023)** (*Document BG/125/22*)

**BG.22.158 Board Development and Effectiveness Review: Action Plan update** (*Document BG/126/22*)

**BG.22.159 Finance: Management Information** (*Document BG/127/22*)

**BG.22.160 Board Calendar 2023/24** (*Document BG/128/22*)

**BG.20.161 Date and time of next meeting**

The next meeting is scheduled for 18 September 2023.