

BOARD OF GOVERNORS

Minutes of the Board of Governors meeting held on Wednesday 22 March 2017.

Present: Sonia Mills (Chair), Jenny Body, Professor John Craven, Sandy Forbes (from G17.03.13), Rob Fraser, Richard Holmes, David Lamb, Mark Mason, Jocelyn McNulty, Simon Moore, Professor Steve Neill, Graham van der Lely, Professor Steve West, Donna Whitehead.

Apologies: Ahmd Emara, Dr Martin Hagen, Clive Lewis.

In Attendance: Jodie Anstee, Delia Bean, Christine Gledhill (Deputy Clerk), Professor Jane Harrington, William Liew, Bill Marshall, Jo Midgley

G17.03.1 MEMBERSHIP

G17.03.1.1 Confirmation of Deputy Chair

The election of Sandy Forbes as Deputy Chair of the Board of Governors was **approved**.

G17.03.2 DECLARATIONS OF INTERESTS

None received.

G17.03.3 MINUTES AND MATTERS ARISING

Paper G17/03/01 was received.

G17.03.3.1 Members approved the minutes of the meeting held on 16 November 2016.

G17.03.3.2 Annual Report on Prevent Compliance activity (G16.11.6.2viii refers)

Members noted that the CUC/LFHE Prevent Duty Practice Note was emailed to Governors on 17 November 2016.

G17.03.3.3 Report of Academic Board to the Board of Governors (G16.11.7.2 refers)

Members noted that the suggested amendment to Academic Board's key responsibilities detailed in the annual report was completed.

G17.03.3.4 Governors' Responsibilities: Annual Statement of Assurance (G16.11.7.3 refers)

Members noted that the University's Annual Provider Statement of Assurance was submitted to HEFCE.

G17.03.3.5 Modern Slavery and Human Trafficking Statement (G16.11.9.1 refers)

Members noted that the Modern Slavery and Human Trafficking Statement was now published on the University website.

G17.03.3.6 Annual Report and Financial Statements for Year Ended 31 July 2016 and Auditors' Completion Report (G16.11.10.1 refers)

Members noted that the draft Pensions Strategy would be presented to the Board at its meeting in July 2017.

G17.03.3.7 Annual Report and Financial Statements for Year Ended 31 July 2016 and Auditors' Completion Report (G16.11.10.4 refers)

Members noted that the final signed SU Accounts would be presented to the FEIT Committee in June 2017.

- G17.03.3.8 Academic Case for Investment in Engineering (G16.11.13 refers)
Members received an update from the Pro Vice-Chancellor, Commercial Director and Company Secretary and noted that a professional design team had been appointed to undertake a feasibility study, the preliminary report of which was expected within a couple of weeks.
- G17.03.3.9 Members also noted the three options open for consideration:
1. New build in front of the new Business School
 2. Use existing facilities – which would mean definite refurbishment and possibly expansion
 3. Refurbish and use currently vacated F Block.
- G17.03.3.10 Members further noted that a proposal would be brought to the Finance, Estates and IT (FEIT) Committee in June 2017.
- G17.03.3.11 Members noted the comments of the two Governors who had observed a recent Faculty of Environment and Technology (FET) Advisory Board meeting that the plans should not be taken in isolation from activities taking place elsewhere, such as the Institute of Technology at Filton.
- G17.03.3.12 Members also noted details of the meeting initiated by the Local Enterprise Partnership (LEP) with the regional universities and colleges to discuss the new Institute of Technology.

The remainder of this item is recorded as a confidential minute.

ITEMS FOR APPROVAL

- G17.03.4 **Appointment of External Auditors**
Paper G17/03/02 was received.
- G17.03.4.1 The Director of Finance outlined the process that had been undertaken for the tender and the details of responses to the tender.
- G17.03.4.2 Members were reminded to keep confidential the details of the responses received.
ACTION: Details of tender responses to remain confidential.
- G17.03.4.3 Members noted that the selection panel had convened on Thursday 2 March 2017 and the recommendation that Mazars be appointed as the University's external auditors.
- G17.03.4.4 Members **approved** the recommendation that Mazars be appointed as the University's external auditors and in accordance with the tender specifications for a period of 5 years to 31 July 2021 (with optional 2 extra years), subject to annual performance review by the Audit Committee and reappointment by the Board.

REPORTS

- G17.03.5 **Financial Update**
Paper G17/03/03 was received.
- G17.03.5.1 The Director of Finance briefly outlined the contents of the update to the Income and Expenditure budgets as at period 6, 2016/2017.
- G17.03.5.2 Members noted the following in particular:
- i. Current forecast financial outturn for the year showed a £9.9m surplus for the year (budget £7.2m);
 - ii. All Professional Service areas were forecast to be performing on budget;
 - iii. Updated student recruitment data for the Faculty of Arts, Creative Industries and Education (ACE) showed an adverse variance against budget of £0.7m.;

Likewise shortfall of student recruitment against planned in Faculty of Business and Law (FBL) meant their contribution is £1.2m short of budget. However, above target performance by both Faculties of Environment and Technology (FET) and Health and Applied Sciences (HAS) delivered additional £3m additional contributions.

- iv. Library – higher than expected journal costs due to changes in the exchange rate would be met using the £100k pay underspend;
- v. The predicted year end adverse variance of £130k due to the reduction in the Graduation Ceremony ticket price from £35 to £15 would be offset in part by reduced catering arrangement for the events;
- vi. High level of staff turnover in IT Services due primarily to staff being offered similar roles at another local HEI on higher grades; a £0.1m underspend was therefore predicted for the end of the year. Members noted that:
 - a. IT was a 'hot' market
 - b. Gradings at the local HEI for IT staff were slightly higher than those offered at UWE Bristol
 - c. ITS had been asked by the Vice Chancellor to provide a detailed study of any 'hotspots' within the area where higher numbers of staff were leaving.

G17.03.5.3 Members further noted that the FEIT Committee had discussed the need to incentivise staff beyond financial means, such as development opportunities.

- G17.03.5.4
- i. Current estimate of cash generation was £30m (2015/2016 £31.2m);
 - ii. Income forecasts were being monitored closely, due to issues such as the nationally negotiated pay award (current inflation rate was 2.3%);
 - iii. The draft budget would be presented to the FEIT Committee in 8 June 2017 and the Board of Governors on 6 July 2017 for adoption.

G17.03.6 Capital and Major Projects Programme *Paper G17/03/04 was received.*

G17.03.6.1 The Pro Vice-Chancellor, Commercial Director and Company Secretary outlined the project completions expected this academic year:

- The new Business School – anticipated handover date of 3 April 2017 and open to students from 24 April 2017
- The remaining Phase 2 student accommodation – 262 rooms were due to be released towards the end of April 2017
- Final works on the Bristol Institute of Technology
- Refurbishment and laboratory reconfigurations of the HAS Faculty.

G17.03.6.2 Members also noted that:

- i. LEP funding had been secured for the Health Tech project;
- ii. The submission of planning application for Building 2 (Design Studios) at Bower Ashton;
- iii. The smooth relocation of a number of Professional Services from the Business Park to Northavon House;
- iv. Completion of the Transport Hub feasibility study – this aspirational project would not be completed for some time, however, it would link to the proposed Engineering building;
- v. The need for a Masterplan for the wider programme of Library works.

G17.03.6.3 Members welcomed the invitation to a tour of the new Business School in the coming weeks.

ACTION: Deputy Clerk to the Board

G17.03.6.4 Members considered two recommendations from the FEIT Committee, namely that the Wallscourt Foundation:

1. lease the land from the University for Bower Ashton's Building 2 and meet all of Building 2's costs (estimated £8.5m). The University would then lease the building on a fixed term;
2. lease the land at Hillside Gardens from the University, and that the Foundation meet the costs of constructing the pitches, sports buildings and car park. This could then be leased back to the University on a 15-year lease.

G17.03.6.5 Members **approved** the two proposals as detailed above.

G17.03.6.6 Members requested that the Pro Vice-Chancellor, Commercial Director and Company Secretary find out whether the Wallscourt Foundation would build and fit-out Building 2.

ACTION: Pro Vice-Chancellor, Commercial Director and Company Secretary

G17.03.6.7 Members also noted that the capital programme would be within the Masterplan £250m by July 2018, although the finance dashboard included £98m of aspirational projects – mostly post-2018 – which would need to be reduced to £58m to stay within £300m.

G17.03.6.8 Members further noted that £10m-£20m of the £250m was currently uncommitted.

G17.03.6.9 Members discussed the format and content of the Campus 2020 finance report (spreadsheet) and commented that the detailed report of the capital spend on the Masterplan was not presented sufficiently clearly for Members to understand the amount of funds already committed, that which was spent and what remained of the funds reported to be available for future demands.

G17.03.6.10 Members questioned whether a different version could be provided to the Board and noted that this would be included in future Financial Update reports, which would also include all Strategic Programmes.

ACTION: Director of Finance

G17.03.6.11 Members noted:

- i. the usefulness of having a single version throughout for the Campus 2020 team and senior management, which allowed:
 - a. the assessment of not only the University's building programme but also the areas within it that required investment – particularly important given the implications in relation to TEF;
 - b. the ability to see in a single picture that all indicators were indeed moving in the right direction.

G17.03.6.12 Members also noted that the University continued to buck regional and national trends in terms of student numbers and applications and the need to recruit high-calibre staff to maintain that momentum. Members further noted the financial modelling undertaken to ensure this investment.

ITEMS TO NOTE

G17.03.7 The Teaching Excellence Framework (TEF) and Annual Provider Assurance Paper G17/03/05 was received.

G17.03.7.1 Members received an update from the Deputy Vice-Chancellor and Provost and noted the following:

- i. the Higher Education and Research Bill was currently in the process of being heard in Parliament;
- ii. the stated aim of the TEF was to improve teaching excellence across the HE sector;

- iii. as required by HEFCE, the University had submitted an application for Year 2 of the TEF and had provided additional evidence highlighting institution-wide activity in support of its metrics;
- iv. the University's core metrics and splits, which highlighted the position of each metric against benchmark.

G17.03.7.2 Members noted that HEFCE had subsequently written to the Vice-Chancellor to notify of its Annual Provider Review (APR) preliminary assessment which had identified an 'area of concern' in relation to retention outcomes for part-time students.

G17.03.7.3 Members also noted that the APR team was separate to the team in the Department for Education (DfE) concerned with the TEF and therefore was not privy to the information therein that explained this issue. Members further noted the University's written response to the APR notification which explained that the issue was due to the need to register a small number of CPD students on a programme of study because of the nature of the University's records system, which meant that when modules were completed, students were recorded as having withdrawn when in fact they had completed their intended programme of study.

G17.03.7.4 Members noted that the HEFCE Regional Consultant was satisfied with this explanation.

G17.03.7.5 Members also noted that institutions participating in the TEF Year 2 would be categorised as Gold, Silver or Bronze and that the University anticipated achieving the Silver category and that to be eligible for fee inflation institutions were required to be within the Gold or Silver category.

G17.03.7.6 Members further noted that the NSS featured as a core metric and that the National Union of Students (NUS) was this year urging its members to boycott the NSS in the belief that the TEF did not measure standards of teaching and that boycotting the survey would prevent tuition fee increases. UWE Bristol students had not supported the NUS position and the current response rate to the survey was 62%.

G17.03.7.7 Members noted that TEF Year 3 was expected to focus on postgraduate activity for which the University was making preparations even though this had not yet been modelled by HEFCE.

G17.03.7.8 Members also noted that the TEF's move to subject level was anticipated to occur in Year 4 as discussions continued as to what level of granularity was required; for example, whether it was possible for a 'Gold' institution to have Bronze-graded provision within it.

G17.03.8 Board Effectiveness Survey

Members noted that a full session on the outcome of the recent LFHE online survey and the findings of the internal audit report on Board Effectiveness would take place the following day as part of the Governors' Away Day programme.

G17.03.9 Vice-Chancellor's Report

Paper G17/03/06 was received.

G17.03.9.1 Members noted the content of the report and received an update from the Vice-Chancellor on the following:

G17.03.9.2 Recruitment

- i. UCAS applications to UWE Bristol had increased 10% upon the previous year, against a sector that had seen a 5% drop in applications and a competitor set that was down 9%;
- ii. Nursing and Allied Health:

- a. the University was faring better than others in relation to nursing and allied health courses, although applications from mature students were a particular stress point. The University's Gloucester campus predominantly recruited mature students and applications would be closely monitored to establish whether a viable cohort can be secured. Members were alerted to the possibility that a recommendation to discontinue may be necessary;
- b. the University of Gloucestershire was attempting to open nursing programmes;
- c. the government's intention to increase participants in medical education by 500 (2017), 1000 (2018) and so on, and for an additional 10,000 nursing students by 2020;
- d. the University had responded to consultation that adopting an Assistant Physician route could make sense in that it would relieve pressure from the workforce and could be completed relatively faster at postgraduate level. It was confirmed that there was an appetite for this approach within the Department of Health.

Strategy 2030

- i. Having just come through the planning cycle, the University was beginning to muse beyond 2020 with some groups being established. The Board would be engaged in the process at the appropriate time;
- ii. Confirmation that the University was on target to achieve the objectives of Strategy 2020.

Staff Survey 2017

- iii. the survey was planned for release in May 2017 and the core questions would be the same as those previously used, which would enable comparative analysis.

G17.03.9.3 Members questioned the capacity of the University to accommodate growth and noted that the practicability of operating outside core hours to facilitate a 365 day, 24/7 campus was being explored as part of strategic discussions.

G17.03.9.4 Members requested that a financial strategy to support the S2030 strategy be provided as discussions progressed.

ACTION: Director of Finance

G17.03.9.5 Members congratulated the Vice-Chancellor on his appointment as a Non-Executive Director to the HEFCE Board.

G17.03.10 Updates from Committee Chairs and Minutes of Board Committees

G17.03.10.1 Nominations and Governance Committee, 18 January 2017
Papers G17/03/07i and ii were received.

G17.03.10.2 Members noted that the Committee considered in detail at every meeting the range of skills across the membership of the Board.

G17.03.10.3 Members also noted that the Board Effectiveness survey results would be explored at the Away Day session the following day.

G17.03.10.4 Finance, Estates and IT Committee, 23 February 2017
Papers G17/03/07iii and iv were received.

G17.03.10.5 The Chair of the FEIT Committee highlighted the main points of discussion from the meeting, including:

- i. IT Services – improvements and enhancement in Learning 2020 (lecture capture, module evaluation, student attendance and online marking) and progress towards a new Student Information System;

- ii. Capital and Major Projects dashboard 2020 and proposals, as discussed earlier in the meeting;
- iii. The long and detailed discussion around options in relation to the Bristol and Bath Science Park.

G17.03.10.6 Members also noted that a meeting to discuss the new Student Information System had been arranged for 27 April 2017; in attendance would be the Chair of FEIT Committee, the Vice-Chancellor, Deputy Vice-Chancellor, Provost, Pro Vice-Chancellor, Student Experience, Director of Finance, Director of IT and the Programme Director Student Information System.

G17.03.10.7 Members further noted that whilst IT-enabled, the new system was a University business-wide project.

G17.03.10.8 Audit Committee, 2 March 2017
Papers G17/03/07v and vi were received.

G17.03.10.9 Members noted that the Committee had discussed at length the near miss incident recently reported to all Governors and the action plan put in place.

G17.03.10.10 Members also noted that the Committee was very supportive of the Risk Management work being done and was comfortable with the progress of the Internal Auditors against the programme of internal audit work.

G17.03.11 Board of Governors Meeting Schedule 2017-2018
Paper G17/03/08 was received and noted.

G17.03.11.1 Members noted that given there were meetings of the Remuneration Committee meeting scheduled for the end of October 2016 and late June 2018, there would be insufficient worthwhile business to require a meeting in January 2018 and therefore the proposed 18 January 2018 meeting would be removed from the schedule.

G17.03.11.2 Members also noted that these dates would now be circulated to Governors and UWE colleagues.

Action: Deputy Clerk to the Board

G17.03.12* Minutes of Academic Board
Paper G17/03/09 was received.

G17.03.13* Corporate Seal
Paper G17/03/10 was received and noted.

G17.03.14 Any Other Business

G17.03.14.1 Staff Voice Group
Members noted the decision to discontinue the Staff Voice Group meetings and discussed more meaningful ways of engaging with University staff, including:

- i. Governor attendance at Professorial dinners
- ii. Faculty presentations before Board meetings
- iii. Governor visits to specific areas of the University, particularly those areas under discussion for investment, e.g. N Block and the Science facilities.

G17.03.14.2 Members also noted some potential pitfalls in Governors visiting the University unaccompanied and noted the value in the ability to feedback on such visits. This matter would be taken up by the Chair and the Vice-Chancellor.

ACTION: Chair of the Board and Vice-Chancellor

G17.03.14.3 Members welcomed the opportunity to attend the Professorial dinners.

ACTION: Deputy Clerk to the Board

G17.03.14.4 Members further noted the intention that staff engagement should cascade throughout the institution and that the Directorate was currently working with the Internal Communications team to explore how to engage differently with staff and encourage colleagues to participate.

G17.03.14.5 Members also noted the Vice-Chancellor's intention to produce a short video for University colleagues, to introduce the staff survey that was due for launch in May 2017 and encourage staff to complete it. The video would highlight achievements and those areas which the University was addressing to improve.

G17.03.15* Date of Next Meeting

Thursday

6 July 2017

15:00 – 18:00