



BOARD OF GOVERNORS

Minutes of the Board of Governors meeting held on Tuesday 12 July 2011.

Present: C Booy; G Camm (Chair); I Gray; Dr J Harrington; J Laycock; S Moore; C Offler; Professor P Olomoloyaie; Professor G Upton; Rt. Revd. B Rogerson; L Seager; T Smallwood; G van der Lely; Professor S West.

Apologies: S Mills; Dr M Hagen.

In Attendance: Professor P Gough; W Marshall; A Osborn (Clerk); J Rushforth.

G11.7.1 DECLARATIONS OF INTEREST

None received

G11.7.2 MINUTES OF THE MEETING OF 24 MAY 2011

Paper G11/7/1 was received.

The Board confirmed the minutes of the last meeting.

G11.7.3 CHAIR'S REPORT

The Chair informed the Board that Theresa McGoldrick had been appointed as the UWE Trustee to the Christchurch Exhibition Fund replacing William Evans.

G11.7.4 VICE-CHANCELLOR'S REPORT

Paper G11/7/2 was received

The Board welcomed the Vice-Chancellors Report.

ITEMS FOR DISCUSSION

G11.7.5 ESTIMATES

Paper G11/7/3 was received

G11.7.5.1 The Assistant Vice-Chancellor: Finance and Commercial Projects introduced the paper and noted that:

- 2011/12 would see the institutions income fall for the first time;
- savings requirements of budget holders had been calculated to reflect the new funding environment;
- additional contingency had been included to provide a buffer should savings not be realised within anticipated timescales;
- capital funding received from HEFCE would be cut from £6m to £700k and capital expenditure within the forthcoming financial year would be capped at £10m;
- UWE held a highly liquid position with good reserves;
- the budget would be particularly sensitive to the outcome of national pay negotiations.

- G11.7.5.2** During discussion the Board noted:
- work was on-going to ensure the previously agreed target surplus of three percent (before exceptional items) would be met;
 - the University was contractually obliged honour incremental salary increases;
 - the previous amendment to counterparty limits (G11.2.10.1.2);
 - the risk to extending the limit for AA rated institutions would be reduced where the Government owned a significant stake.

G11.7.5.3 The Board **approved** the income and expenditure estimates and **approved** the extension of the counterparty limits for AA rated institutions in which the Government held a significant stake. It was **agreed** to delegate authority to the Deputy Chair to agree the detail of any extension.

G11.7.6 **WHITE PAPER**
Paper G11/7/4 was received

G11.7.6.1 The Board welcomed a briefing from the Vice-Chancellor setting out the context the white paper would be received in and noted that:

- the turbulence facing higher education was common across public sector;
- the white paper fundamentally changed the environment by introducing measures to enable elite university's to grow and encourage others to lower the cost of higher education;
- Office of Fair Access had approved the University's access agreement. Tables published by OFFA showed UWE as being among the 7% of universities charging the maximum fee but ignored the benefit of bursaries;
- bursaries favoured student needs over those of the Exchequer;
- given the profile of other institutions in the region it would be difficult for UWE to compete for the AAB students, as a result it may be necessary to position the University to compete at the other end of the spectrum potentially utilising alternate brands and partnerships as enablers;
- it would be important for the Board together with the Executive to define the composition and nature of UWE in the future and as part of this the Board would have an opportunity to input to the strategic plan which would be refreshed for 2013 onwards;

G11.7.6.2 The Vice-Chancellor further outlined that initial modelling of the proposals suggested that:

- there could be a rapid reduction in HEFCE core funding as the criteria for the margin, currently AAB and <£7.5k, is expanded;
- UWE may lose circa 800 students from its intake in 2012/13 which could be managed; the impact in subsequent years was uncertain, particularly as private providers increased their market penetration;
- it would be important to work with Hartpury College and UWE Federation partners to ensure a shared understanding of the UWE offer;
- there would be a strong driver to provide significant public information on how the graduate contribution was utilised within the institution;
- impact on the institution would not be uniform, with some areas including health and teacher training faring better than others;
- the size of UWE allowed time for reflection when considering the institutions position within the new environment.

G11.7.6.3 During discussion the Board noted that:

- University Alliance would become more vocal and it would be beneficial, where appropriate, for Governors to promote the civic engagement of the University through their own networks;
- their expertise in brand identity would be useful in considering the brand options for the university;
- it would be important to focus on retention, employability and market

- attractiveness;
- it would also be important to manage the perceived quality and value of UWE provision by employers and students;
- comments from the Student Governor that a strong bursary scheme could become a USP for the University;
- that alongside corporate scenario modelling it would be important to model the financial impact on students when considering the financial packages offered.

G11.7.6.4 The Board **unanimously agreed** that it would be undesirable to consider material short-term revision to the University's fee position in light of the White Paper and that UWE's core strategy of providing an excellent student experience with high quality teaching linked to research, scholarship and public engagement remained valid.

It was **further agreed** a subgroup of governors would be convened to consider with the executive the models under development.

ACTION: Vice-Chancellor/Clerk

G11.7.6.5 The Chair reminded Governors that all subgroups convened by the Board were open membership and could be attended by any Governors interested in the project concerned.

[Clerk's note: dates and times of subgroups are available on request from the Deputy Clerk to Governors and published on the Board's SharePoint site]

G11.7.7 MASTERPLANNING

G11.7.7.1 The Board welcomed a presentation from the Frenchay Masterplan Project Manager outlining work conducted to date and the emerging campus design and highlighting that:

- the process had been business, rather than estates led;
- existing infrastructure would be kept where possible to minimise non-essential costs;
- the new stadium car park would significantly alter the campus design, creating an West-East thoroughfare;
- the central location of a new bus station would be key to the formation of the new Heart zone;
- The next steps would be to finalise the design, timeline and costs and provide a concept business plan to the Board in the autumn term.

G11.7.7.2 The Chair highlighted that in addition to the to the position outlined within the presentation there had been further developments in the potential timing for the consolidation of the Faculty of Creative Arts and Humanities on the Frenchay campus.

G11.7.7.3 The Board noted that timely consolidation would assist in controlling costs potentially realise synergies between curriculum areas currently conducted over multiple campuses and would be unlikely to damage the University's existing links with the creative industries within the city.

G11.7.7.4 It was **agreed** that a subgroup of the Finance, Estates and IT Committee (C Booy, G Camm, J Laycock, G Upton and T Smallwood) would be convened to further consider, in conjunction with the Executive, the financial drivers for any early consolidation and report to the September meeting of the Board.

ACTION: Clerk

G11.7.7.5 Governors noted that comparator institutions were investing heavily in facilities and that failure to invest may have significant repercussions as competition between institutions intensified. The Assistant Vice Chancellor: Finance and Commercial Projects confirmed that the financial position and projected future cash flows of the University would likely be sufficient to fund the currently envisaged development of the Frenchay campus without recourse to external borrowing.

G11.7.7.6 The Vice-Chancellor informed the Board that the finalised Masterplan would be brought back to the Board for consultation in September with a view to seeking final approval at the November meeting.

ACTION: Vice –Chancellor

G11.7.8 GOVERNANCE EFFECTIVENESS

Paper G11/7/5 was received.

G11.7.8.1 During discussion the Board endorsed further work to refine and define:

- the choreography of discussions with greater use of presentations at earlier stages of development and greater use of open subgroups;
- the strategic focus of the Board by exercising greater quality control over papers;
- stakeholder transparency and accountability;
- governors engagement with the corporate life of the University.

ACTION: Clerk/Chair

G11.7.8.2 Governors **approved** the formation and the terms of reference of the Strategic Performance Committee that would replace Human Resources Committee in the 2011/12 academic year.

G11.7.8.3 The Board **agreed** that a calendar of meetings with discussion themes would be circulated and Governors would indicate, in advance, those meetings they would be unable to attend.

ACTION: Clerk

ITEMS FOR APPROVAL

G11.7.9 ACADEMIC MANAGEMENT RESTRUCTURE AND ENHANCED VOLUNTARY SEVERANCE SCHEME UPDATE AND EXTENSION

Paper G11/7/6 was tabled.

G11.7.9.1 The Assistant Vice-Chancellor: Finance and Commercial Projects introduced the paper and highlighted that the conditions of the University's enhanced voluntary severance scheme (EVSS) were such that costs were recovered within a year and that to date twelve percent of posts removed through the scheme had subsequently been replaced.

G11.7.9.2 The Chair commended the Vice-Chancellor and his team for developing and implementing an efficient EVSS that engendered cooperation from staff and enabled effective reshaping of the institutions staff base.

G11.7.9.3 The Board **approved** the continuation of the EVSS previously approved in January 2010 (G10.1.25(R)) and noted that a further fifty staff were expected to take advantage of the scheme.

G11.7.10 SCHOOLS AND COLLEGES PARTNERSHIP SERVICE STRATEGY

Paper G11/7/7 was received

Governors **approved** the Schools and Colleges Partnership Service Strategy and noted that the strategy would be kept under review by the Vice-Chancellor to ensure the approach remained both relevant and affordable and as the HE environment continued to evolve.

G11.7.11 PUBLIC DISCLOSURE

Paper G11/7/8 was received

The Board **approved** the revised Public Disclosure Policy, reflecting the introduction of the Bribery Act 2010, subject to the addition of a timescale for the process. Chair's approval of future minor amendments necessary to reflect legislative changes was also **endorsed**.

ACTION: Clerk

G11.7.12 REPORTS TO THE BOARD

Papers G11/7/9 (University Companies and Directors), G11/7/10 (Financial Monitoring), G11/7/11 (HEFCE Risk Assessment letter), G11/7/12 (Reportable Accidents) and G11/7/13 (Committee Minutes and Reports) were received electronically by the Board and noted.

ANY OTHER BUSINESS

- G11.7.13** The Chair noted that both the Rt. Reverend Barry Rogerson and Lise Seager would be retiring from the Board of Governors at the end of the month. On behalf of the Board the Chair warmly thanked both Barry and Lise for their longstanding contribution, and in particular the unequivocal focus on the student experience they brought to the Board.