

MINUTES

BOARD OF GOVERNORS

Minutes of a meeting of the Board of Governors held on Tuesday 23 November 2010.

Present: C Booy; G Camm (chair); I Gray; Dr M Hagen; Dr J Harrington; S Mills; C Offler; Professor P Olomolaiye; Rt Revd B Rogerson; L Seager; T Smallwood; Professor G Upton; G van der Lely; Professor S West.

Apologies: J Laycock; J Rushforth

In Attendance: R Bott (for agenda item G10.11.5); Professor P Gough T J Harrison (clerk); W Marshall.

The Chair welcomed Paul Olomolaiye to his first meeting of the Board.

G10.11.1 THE IMPLICATIONS FOR UWE OF THE BROWNE REVIEW OF STUDENT FUNDING AND THE COMPREHENSIVE SPENDING REVIEW
Paper G10/11/1 was received.

G10.11.1.1 The Vice Chancellor tabled an open letter he had sent to all staff earlier in the day setting out the University's funding position post Browne / Comprehensive Spending Review.

G10.11.1.2 The Vice Chancellor made a presentation outlining:

- the current known national funding position noting that a parliamentary outcome on student fees was expected before Christmas. It was not at all clear what rules would apply in terms of institutions being permitted to charge the full £9K
- the implications for UWE's activities within the context of anticipated significant cuts over the short to medium term
- some of the opportunities that were becoming clearer as he and his team worked through rebalancing activities and the development of the Masterplan – all proposals relating to specific options would be brought to the Board at later stages
- initial internal fees modelling
- the impact of competition rules on the ability of institutions to share information
- the potential threat from the FE sector which was actively campaigning on its ability to charge significantly less for shorter degree programmes; the University was engaged in discussions with private providers and FE partners about opportunities
- the University's current position in respect of a balanced score card of performance across a range of indicators including league table position, employability, NSS, partnerships and regional position; balance of income/costs. Governors were warned about the impact of social media on the views of current students on

- prospective applicants
- initial indications about the government's Plan B following an unsuccessful outcome from the forthcoming parliamentary debate which could result in a real reduction in student numbers – no HEI was in the position of being able to compensate for the removal of public funding and a delay in the receipt of tuition fees
- UWE's SWOT analysis and the preparations being undertaken to prepare faculties and professional services for the planning round which would focus on high impact priorities in relation to student experience and participation, portfolio management and product development/income generation, building research and knowledge engagement agendas, managing staff and the estates infrastructure
- the impact on staff morale of current uncertainties and restructuring activities.

G10.11.1.3 The VC posed a number of questions for the Board to consider the changes that would need to be made as the University positioned itself to respond to the funding cuts. He informed the Board that at a recent meeting of the Academic Board there had been broad recognition of the difficult conversations that would need to take place with programme leaders, academic staff and professional staff about the reality of the current position and to encourage leaders and managers to think creatively about how to address challenging issues facing the University around performance and closing the financial gaps.

G10.11.1.4 The Chair updated the Board on a recent discussion at the Student/Governor forum noting that for students there were two issues : philosophical objections to the current state of affairs and concerns that students would be paying more in future but would be receiving less.

G10.11.1.5 During discussion the following points were noted:

- the role of the Board - was to support the Vice Chancellor in following through on the necessary cuts but also to remain focussed on the University's future ambitions. The key focus for the Board should be on continuing to improve the student experience and building on the University's positive employability performance both of which had been significant priorities and strengths for the University for a long time
- employer engagement/employability - UWE was in a strong position to think innovatively about employability and employer engagement and to develop its strengths in inter-disciplinary areas (such as the ageing population, low carbon technology, sustainability etc.) The work already in hand to grow the number of Knowledge Transfer Partnerships was noted
- the role of iNETs was noted as major business readiness activities in the South West for which 50% European funding was available; UWE had three each worth over £2M with the potential to bring UWE closer to employers to develop a business support scheme that connected the University and business. Business Technology Centres were also about to come on stream as was a business innovation hub for supporting business incubation activities. There were inherent risks in engaging with these activities but the

University's view was that these were worth taking because of the potential benefits for the longer term sustainability of the University in areas where it could make a real world class difference

- the HE response to the increase in the number of apprenticeships and the relationship to employability opportunities for students increasingly engaged in higher level learning was noted and whilst apprenticeships might in themselves be too vocational for the University, consideration of post-apprenticeship lifelong requirements and opportunities should be considered
- whilst students understood and accepted that employability was an important focus for higher education, they were also keen to ensure that the University retained an appreciation of the value of education for education's sake
- comprehensiveness - understanding the impact of the cuts on the different levels within the University would be important as would understanding the cost/benefits at individual subject level to enable the difficult decisions about the breadth of the University's offering to be taken. The focus of Academic Board on comprehensiveness raised implications for the University in moving forward although comprehensiveness was as much about different ways of doing things as it was about what was provided. The Vice Chancellor's vision of comprehensiveness was concerned with the explicit connection of UG and PG areas of strength and the ability to join these up more innovatively linking them to business, international and other partnership opportunities for staff and for students. Governors were informed about reviews being undertaken by the new Executive Dean of CAHE and the identification of areas of activity in, for example, History, that would reshape the way it was taught at UWE locking into regional, national and international relationships around key topics – this would result in opportunities for knowledge exchange and external funding to support multi-disciplinary and public engagement agendas
- UWE had experienced growth for the last twenty years and opportunities had been taken as they arose with an explicit strategy to 'get big and get big fast'; other institutions had taken a more strategic approach to growth and development. The University had been exposed in clearing every year to 1000 students and this had had a detrimental impact on tariff on entry and on progression to employment. Strategic planning had existed but in a fairly unobtrusive way. The issue for the University now was to actively and explicitly align academic provision to the University's strategic plan, focus on strengths and improve performance management across the board
- potential for growth existed in areas such as innovation in learning and teaching; the University's relationship with HP would be important in this, work based learning, UWE Global and its potential for increased transnational education
- FE - how the University fostered and developed its relationships with FE would be important and governors were reminded of the work being undertaken as part of the UWE Federation network of partnerships with FE colleges in the region and the opportunities this provided to tie in with national agendas in areas such as nuclear and low carbon technologies

- student experience - the outcomes from the most recent NSS were noted as having indicated a declining position for the University which was unfortunate in the current context
- students were finding themselves caught in the backlash of disgruntled staff which was impacting negatively in some areas on the experience of students. A current protest involving staff and students demonstrated to some degree their united front in respect of shared concerns about the University's response to the funding cuts
- widening participation - plotting the University's way through the implications for widening participation of the government's agenda would be crucial as would working through the opportunities for part-time learning and other forms of flexible delivery to better support people in work
- research - discussions were actively taking place between UWE and Bristol University to look at the creation of a single umbrella for research support and shared services that acknowledged competition between the two institutions was futile. Discussions were taking place with the health sector about opportunities and initiatives with joint bids becoming the norm, for example with the health service, in robotics and based on the strengths of each institution
- the national composite centre was being developed in Bristol and whilst UWE wasn't necessarily doing core research in composites there were important keys to national agendas which the University should be engaging with at a strategic level building on existing strengths
- communication - the importance of effective communications that set expectations clearly and managed processes efficiently and equitably was stressed – students had shared their thoughts about how the University might communicate more effectively at the recent Student/Governor Forum

Finally, governors agreed that they would need to be clear about what would trigger concerns about the future sustainability of the University - if the University failed to make the cuts then it would not survive; there would be no intervention funding to support rescue plans for 'failing' universities with the exception of regions where politics might come into play. The first order question for governors was about protecting the University's survival within an extremely challenging funding situation – difficult decisions would need to be taken to enable the University to survive as a competitive institution in the future. There were significant opportunities to becoming more efficient to take advantage of opportunities which would have long term benefits.

G10.11.1.6

The Vice Chancellor summarised by reiterating the University's strengths, its strong investment strategy, its popularity and its focus on strategic positioning at all levels of provision. The rules weren't yet clear about the conditions that would be placed on institutions charging the full £9K. He was clear however that the University needed to position itself confidently and that his starting position was that the maximum fee should be charged across the whole university.

- G10.11.1.7** The Chair summarised by confirming the Board's absolute support for the Vice Chancellor in leading and managing the activities that needed to be done in taking the University forward and stressed the importance of the Board in standing firm in the face of potential adversity as difficult decisions were brought forward and made. The University faced two phases of activity – a longer term process over a period of several years and a four month process to prepare published information about the fees UWE would charge to inform the 2012 prospectus due to be published in April 2011. The Vice Chancellor and the Chair would build in informal opportunities for the Board to be updated and to discuss issues over the coming few months leading to final decisions at the February meeting of the Board.

ACTION: Chair/Vice Chancellor/Clerk

PART 2

G10.11.2 MINUTES OF THE LAST MEETING

Paper G10/11/Mins was received.

The Board approved the unconfirmed minutes of the meeting held on 21 September 2010.

G10.11.3 MATTERS ARISING FROM THE MINUTES

G10.11.3.1 G10.9.4.1 Appointments to the Board

The Board noted the appointment of Professor Paul Olomolaiye as the Academic Board nomination to replace Professor Paul Gough.

G10.11.4 CORPORATE PLANNING

G10.11.4.1 Corporate Planning Statement

Paper G10/11/2 was received.

The Board agreed to approve the draft Corporate Planning Statement for submission to HEFCE.

ACTION: Director of Finance

G10.11.4.1.2 UWE Performance Update

Paper G10/11/3 was received.

G10.11.4.1.2.1 The Board welcomed the paper and particularly the traffic light reporting of performance noting:

- the progress being made on student employability
- the need for the Board to monitor the student experience indicators.

G10.11.4.1.2.2 In answer to a question about where the low recruiting line would be drawn for low recruiting postgraduate programmes the Board was informed that Vice Chancellor's executive had agreed it should be set at between 15 and 20.

G10.11.4.1.2.3 It was agreed that there would be a discussion of the student experience

and student withdrawal rate performance prior to the discussion with Executive Deans at the meeting in March.

ACTION : Vice Chancellor

G10.11.5 ANNUAL REPORT AND FINANCIAL STATEMENTS FOR YEAR ENDED 31 JULY 2009 AND AUDITORS' MANAGEMENT REPORT

Paper G10/11/4 was received (the Auditor's Management Report is confidential to the Board).

G10.11.5.1 The Chair of the Finance Committee updated the Board on the Committee's discussion of the annual report and accounts noting the positive outcome from the auditors. He reported that the Committee had discussed at some length the treatment of the pensions outcome in the accounts.

G10.11.5.2 The Director of Finance updated the Board on the papers noting the positive achievement of the University against its key I+E and Balance Sheet indicators.

G10.11.5.3 The External Auditor introduced the confidential Management Report which had been discussed with the Finance department and at the recent meeting of the Audit Committee. He drew attention to the statements regarding the openness of the communications between the auditors and the University and confirmed that, from a management control point of view, the overall picture was very healthy; the Board could be reassured in this regard. The external auditors concurred with the University's position on the treatment of the pension outcome noting that decisions had not yet been finalised within the profession. There had been open dialogue with the University in respect of risks identified as part of the audit and all assumptions made by the University had been tested and reviewed for reasonableness and benchmarked against other institutions. It was suggested that the Board might want to discuss the University's levels of prudence which were considered high when benchmarked against the sector.

G10.11.5.4 The Board agreed to confirm, on the recommendation of the Finance Committee, that the Report and Financial Statements for the year to 31 July 2010 be approved and adopted. In addition, the Board:

- (i) authorised the Vice-Chancellor to sign the letter to KPMG confirming that all material transactions had been disclosed in the financial statements
- (ii) approved the submission of the Audit Committee's Annual Report to HEFCE
- (iii) congratulated the Director of Finance and thanked the Finance department for their contribution to the production of the report.

G10.11.6 ANNUAL REPORT OF THE AUDIT COMMITTEE – 2009/10

Paper G10/11/5 was received.

G10.11.6.1 The Chair of the Audit Committee introduced the report. She thanked the Director of Finance and reported that the University's internal auditors were continuing their work to embed risk management as a management tool to improve identified areas of concern. The Committee had been concerned about the limited assurance outcome in respect of the health and safety audit and had raised questions about the immediacy of the

University's responses. The Vice Chancellor confirmed that the University was vigorously attending to the management responses it had agreed with the internal auditors and understood the Board remained seriously concerned. Regular updates would be brought to the Board.

ACTION: Vice Chancellor

G10.11.6.2 In respect of the audit of the University's risk management process the auditors had highlighted that they thought the University was underpowered in terms of support to ensure effective oversight of risk management. Evidence of good management and strength in project management risk management had been identified and the Vice Chancellor's Executive monitored the University's Corporate Risk Register on a more regular basis whilst noting the auditors' concerns about how proactive risk management was embedded and engaged with appropriately throughout the organisation.

G10.11.6.3 The Chair thanked Ms Seager for chairing the Audit Committee which would be handed over to Dr Hagen in the New Year.

G10.11.6.4 The Board agreed to approve the annual report of the Audit Committee 2009/2010 for submission to the Higher Education Funding Council.

G10.11.7 **REPORTS FROM COMMITTEES**

Paper G10/11/6 was received.

The Board received reports of recent meetings of its sub committees.

G10.11.8 **ACADEMIC BOARD'S ANNUAL REPORT TO THE BOARD OF GOVERNORS**

Paper G10/11/7 was received.

The Board received the report.

G10.11.9 **HIGH LEVEL MONTHLY FINANCIAL MONITORING REPORT FOR 2010/2011: PERIOD 3 (OCT 2010)**

Paper G10/11/8 was received (confidential to the Board)

The Board received the confidential report noting that it provided the Board with an opportunity to monitor performance on a regular basis.

G10.11.10 **MONTHLY ACCIDENT REPORT**

Paper G10/11/9 was received.

The Board received the report noting that further discussions were taking place to ensure the reporting was appropriate for the Board.

G10.11.11 **DATES OF FUTURE MEETINGS**

G10.11.11.1 The Chair apologised to the Board for the recent changes in dates of meetings.

Tuesday 1 February 2011 – items for business would include : tuition fees strategy; academic portfolio and the planning round; the draft academic strategy.

Monday 21 March 2010 and Tuesday 22 March 2010 (Away Day)

Tuesday 24 May 2011

Tuesday 12 July 2011 (to be held at Hartpury College)

G10.11.11.2 The link new governors Sharepoint site would be sent to governors with a request for feedback on its look and feel and usefulness.

The meeting closed at 5.35pm.