

CONFIRMED

BOARD OF GOVERNORS

Minutes of the Board of Governors meeting held on Tuesday 25 November 2014.

Present: C Booy; G Camm (Chair); Professor J Craven; Dr M Hagen; Professor J Harrington; D Lamb; J McNulty; S Mills; S Moore; G van der Lely; Professor S West.

Apologies: S Forbes; Professor A Gilkison; I Gray; C Roper.

In Attendance: L Broadbent (for item G14.11.12); R Cowie; C Davey (for item G14.11.7) W Liew; W Marshall; A Osborn (Clerk); A Weeks (for item G14.11.6).

G14.11.1 Confirmation of Chair and Deputy Chair

Members unanimously confirmed G Camm as Chair of the Board of Governors and in light of no nominees for the role of Deputy Chair agreed to postpone the appointment to the next meeting of the Board.

G14.11.2 Governor Appointments

Following the recommendation of Nominations and Governance Committee members unanimously appointed R Holmes and M Mason to the Board of Governors with effect from 1 December 2014 for a period of three years.

G14.11.3 Terms of reference

Paper G14/11/01 was received and noted.

G14.11.4 Declarations of Interest

None received.

G14.11.5 Minutes

Paper G14/11/02 was received.

Members approved the minutes of the previous meeting subject to a minor amendment to minute G14.07.05.01 to read 'Members noted that the estimates and projections'

ITEMS FOR APPROVAL

G14.11.6 Annual Health and Safety Report

Paper G14/11/03 was received.

G14.11.6.1 Members warmly welcomed a report from the Health and Safety Manager that highlighted that the University remained compliant with legislative health and safety standards and highlighted that the priorities for the year had been:

- i. construction safety;
- ii. the management of stress at work;
- iii. assurance of the management of health and safety risks;
- iv. developing the quality or risk assessment in line with the standards set by the Bristol Robotics Lab.

- G14.11.6.2 Overall it had been a positive year with over 750 staff taking part in health and safety training including a 86.5% take up of the fire safety training. Whilst members expressed their concern that the mandatory training should be completed by all staff, they welcomed assurance that the remaining 13.5% could largely be ascribed to staffing turnover and long term absences, such as maternity leave.
- G14.11.6.3 During further discussion members noted that:
- i. the number of accidents reported had increased as awareness of the simpler reporting mechanism grew. However the number of more serious, RIDDOR reports continued to decline;
 - ii. construction risks were managed using a rigorous systematic and programmatic approach and focused on site security which was a particularly important given the number of staff and students on site coupled with the open nature of access on to campus. It remained challenging to maintain access routes safely whilst the campus infrastructure was upgraded but security would be improved with the addition of permanent hoardings in due course. All contractors were also monitored against an agreed set of health and safety standards;
 - iii. the level of health and safety assurance at UWE Bristol International College had improved significantly following their pairing with the Schools and Colleges Partnership Service to support the development;
 - iv. future work would focus on the continued expansion of training, reviewing key health and safety standards and monitoring Faculty and Professional Services against the standards.
- G14.11.6.4 The Chair thanked the Health and Safety Manager for their work and reiterated the strong support of the Board of Governors. Accordingly members **approved** the signing of the annual Health and Safety Policy Statement by the Chair and the Vice-Chancellor.
- G14.11.7 Annual Report and Financial Statements for the year ending 31 July 2014 and auditors' completion report.**
Paper G14/11/04 was received.
- G14.11.7.1 Members received a report from the Director of finance highlighting that:
- i. the University had made a surplus of £14.8M, against a £9M forecast. The difference could be ascribed to the timing of refurbishment works which although budgeted for 2014/14 had fallen into the 2015/16 financial year. As a result cash generation was also higher;
 - ii. Budgetary control within individual faculties and Services remained strong;
 - iii. the number of staff had increased marginally, and would continue to do so in order to support the student experience at the institution;
 - iv. significant activity continued in order to reduce the provision made for student debt through non-payment of Student Loan Company funds. The non-payment typically stemmed from a combination of complex processes and poor student data and were further complicated by data protection legislation. Although the issue was common across the sector it would continue to be exacerbated until the underlying student data could be reliably maintained and interrogated. Both Finance Estates and IT, and Audit Committees would continue to keep a watching brief on the payments outstanding and there was currently no adverse impact on cash flow.

- G14.11.7.2 The External Audit Manager thanked University staff for their cooperation and noted the audit had progressed well. Key risks remained the in relation to estates planning, notably the outcomes of contracts in relation to the lease of land to Bristol Rovers and the associated stadium development, and the sale of St Matthias campus. However no changes to the status of the items were anticipated prior to the signing of the accounts. During ensuing discussion members noted that whilst not pressing the University would need to consider its position in the New Year.
- G14.11.7.3 Members further noted that the report and financial statements had been scrutinised at Finance Estates and IT Committee as well as Audit Committee and both had endorsed the accounts to the Board of Governors for approve.
- G14.11.7.4 Governors thanked the Director of Finance and the External Auditors for their work and the members of Finance Estates and IT and Audit Committees and **approved** the annual report and financial statements, representation letter and the annual assurance return.
- G14.11.8 Annual Report of Audit Committee 2013/14**
Paper G14/11/05 was received.
- Members welcomed an update from the Chair of Audit Committee confirming that in the Committee's opinion assurance could be taken that there were appropriate arrangements in place for:
- i. risk management, control and governance;
 - ii. economy, efficiency and effectiveness (value for money)
 - iii. the management and quality of data submitted to HESA and HEFCE.
- Accordingly members **approved** the report for submission to the Funding Council.
- G14.11.8 Financial Strategy**
Paper G14/11/06 was received.
- G14.11.8.1 Members received a briefing form the Director of Finance on the new FRS102 accounting standard which would need to be embedded from the 2015/16 academic year onwards and which would have a significant impact on the University's balance sheet. However this would not pose a challenge to the covenants associated with existing borrowing.
- G14.11.8.2 During discussion Governors noted that where possible in future the University should seek to negotiate borrowing on a frozen GAAP basis and **approved** EBITDA targets of 9% for 2015/16 and 10% in subsequent years combined with a minimum cash generation target of £15M per year.
- G14.11.9 Bristol Institute of Technology.**
Paper G14/11/07 was received.
- G14.11.9.1 The Vice-Chancellor presented proposals for the Bristol Institute of Technology (BIT) noting the vision would be to create world class facility for research innovation enterprise and business growth stemming from co-location and collaboration between the University and business with a focus on robotics, autonomous systems, health technologies and related fields. The BIT would be located in T Block and comprised of three main elements and would be unique in the sector:
- i. University Enterprise Zone (UEZ) which had secured £4M of Government funding, matched by the Local Enterprise Partnership Growth Fund. The UEZ would be run by a commercial partner as a commercial enterprise and would encourage businesses to engage with University and support SME growth in the city region;
 - ii. Bristol Health Technology Lab (working title) would be a joint initiative with the University of Bristol and seek to establish a cluster of world-leading applied research on health technologies. An expression of interest had been submitted

to pave the way for a later bid for up to £7.5M of funding to support the development;

- iii. Bristol Robotics Laboratory (BRL) which was already located in the building and provided a world-class facility essential for the position of the University and rare within the mission group and potentially provide a strong 'first mover' advantage.

The Business case sought to bring the three strands together within "T" Block to maximize economies of scale and scope and included infrastructure investment. The programme in total would extend to £30M.

- G14.119.2 Project aligned exceptionally well with the University's strategy by:
- i. boosting the University's offer to undergraduate and postgraduate programmes by increasing their exposure to world-class research;
 - ii. creating opportunities for students around SMEs and to come into contact with graduate level opportunities;
 - iii. providing an opportunity to use the co-location with business to support and develop the University's practice oriented emphasis.

The project also supported the University's research ambitions by increasing funding opportunities and boosting collaboration; it would also align with the strategic partnership approach and reinforce UWE's position as a potential anchor institution.

- G14.11.9.3 During discussion members noted that:
- i. T Block, the Farmhouse and the ECC accounted for 25% of the University's energy bills and that potential district heating opportunities would create substantial savings;
 - ii. whilst the projects worked better together it would not be strictly essential to progress all three;
 - iii. the management capacity to support the project had been a concern as Finance, Estates and IT Committee and there remained a question as to whether there was an appropriate governance arrangements in order to maximize opportunities. Mitigating this the Programme Board would be augmented with additional appointments of senior staff in the Health Technologies arena specifically and this appointment would be progressed in order to ensure the programme was led by UWE.
 - iv. the UEZ had brand implications, which would be dependent on the success of the facility, but that this would be orientated to funders and businesses and should not adversely impact on the University's substantive student offer.
 - v. the integration of the Faculties with the project would ensure it did not disproportionately impact on the profile of the institution;
 - vi. whilst UWE would be highly visible throughout, as it was with the BRL, it would be necessary to collaborate with other institutions given the perceived increasing concentration of research funding.
 - vii. the financial rational was exceptionally strong as was the strategic positioning of the project.

- G14.11.9.4 Members formally **approved** the development of the University Enterprise Zone element and **approved, in principle**, the other two strands subject to further consideration, and reporting of, governance required and benefits capture in relation to recognition and share of the reputational advantage.

- G14.11.10 Bank Loan Tender**
Paper G14/11/07 was received.

G14.11.10.1 Governors received a briefing from the Pro Vice-Chancellor (Commercial Developments and Corporation Secretary) on the extensive tendering process to secure additional financing that would support the University Masterplan. As a result the Commercial Services Team and Vice-Chancellor were in a position to recommend that the University enter into an agreement with the European Investment Bank for a loan facility of £60M drawn down over three years. Members further noted the Bank would require the Board to make specific resolutions as included within the paper and that these would become the formal minutes of the discussion.

G14.11.10.2 The Chair reported to the meeting that the Board was being asked to consider a proposal that the University of the West of England (the Borrower) enter into a finance contract with the European Investment Bank (the "Bank") in relation to the provision of a loan facility in an original principal sum of up to £60,000,000 (the "Loan"). There was produced to the meeting the draft finance contract proposed to be entered into between (1) the Borrower and (2) the Bank in relation to the Loan (the "Finance Contract").

G14.11.10.3 Accordingly, after due and careful consideration it was **resolved** that:

- i. the Borrower should accept the offer of the Loan from the Bank in the terms set out in the Finance Contract and subject to such amendments that may be agreed by the Governors/Officers listed in the schedule¹;
- ii. Professor Steven West and Mr William Marshall be authorised to make the necessary arrangements with the Bank and to sign on behalf of the Borrower the necessary documents including but not limited to the Finance Contract, the Borrowers Certificate and the Certificate (each as defined in the Finance Contract) which were also produced to the meeting and their terms and conditions approved;
- iii. any one of the University Governors/Officers listed in the schedule are hereby authorised on behalf of the Borrower to give all written instructions to the Bank in respect of the drawdown and continuance of the Facility;
- iv. either the Chairman of the Governors or the Vice-Chancellor of the University be hereby authorised on behalf of the Borrower to appoint in writing additional authorised officials of the Borrower for the purposes of Resolution (i) above and that, on receipt of a certified copy of such appointment, the Bank be authorised to act on the instructions of such additional authorised officials.

G14.11.10.4 Members thanked the Pro Vice-Chancellor and the Commercial Services Team for their work on the project.

G14.11.11 Student Feedback
Paper G14/11/09 was received.

G14.11.11.1 The Director of Academic Services highlighted that the institutional response to student feedback in the current academic year would identify, and take action in relation to underlying pervasive issues; many of these were thought to be relatively simple and linked to professional standards and pride. This would be combined with work by Faculties to identify and disseminate good practice and support poorer performing areas.

¹ Governors and Officers listed in the schedule: Gillian Camm, Steven West, William Marshall, William Liew, Roger Broughton, Kevin Barber.

- G14.11.11.2 The Vice-Chancellor assured Governors that the University was not content with the results and that there would no excuse for staff not to be providing an outstanding learning experience for students. The change of approach reflected that previous targeted interventions had ultimately proved unsustainable. The Students' Union President further noted that the feedback from students continued to be dominated by basic issues and therefore the Students' Union endorsed the professional standards approach being adopted.
- G14.11.11.3 One of the most pressing institutional level projects would be the detailed consideration of the timetabling process to consider how it could be developed; this would be led by the Pro Vice-Chancellor (Student Experience); however this would not fix underlying issues in relation to the nature of the space that was available and was thought to exacerbate the challenges.
- G14.11.11.4 Within faculties members discussed examples of work being undertaken in the:
- i. Faculty of Business and Law which had progressed the issues by meeting with programme teams in order to focus on module that had a significant impact on programmes. This included individual meetings with programme delivery staff to consider cohort identity and how students were supported thought their studies.
 - ii. Faculty of Arts Creative Industries and Education which continued to develop the successful approach to creating programme identity. This had been accompanied with a pedagogic shift away from the lecturer and the move towards practice so that learning was an active experience; Academic Board would be used to consider and disseminate the approach.
- G14.11.11.5 The Vice-Chancellor highlighted that where it was successful, students reported an outstanding experience and the University's ambition continued to be to deliver the same outcome for all students. The work in the Faculty of Arts Creative Industries and Education posed a question as to whether there should be a more decisive shift away from modules towards programmes. Conversations to date had indicated staff would be positive. Other institutions are also starting to move back from modular delivery. Timescales would vary by faculty and programme and also depend on institutional resources. Belonging is crucial and has risen in student priorities.
- G14.11.11.7 Governors welcomed the update and noting that they would wish to see further updates as work progressed.

G14.11.12 UWE Brand

Minutes G14.11.12.1 - G14.11.12.4 are confidential to the Board of Governors

G14.11.13 REPORTS

Papers G14/11/10 – 12 were received.

Members welcomed reports from the Staff Governor Forum, Strategic Planning and Performance Committee and also on the Capital and Major Projects Programme.

ITEMS TO NOTE

G14.11.14 Vice-Chancellor's Update

Paper G14/11/13 was received and noted

Governors recognised the strategic importance of the developing relationship with the Arnolfini and supported the earlier conclusions and decisions made by the Finance, Estates and IT Committee.

G14.11.15 Minutes of Board Committees

Paper G14/11/14 was received and noted.

G14.11.16 Date of Next Meetings

19 January 2015

26-27 March 2015

21 July 2015