



BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held at 5.30pm on Monday, 26 November 2007 in Room 2Q87, Frenchay campus

Present: Ray Burton (Chairman), Bob Barnett, Rosamund Blomfield-Smith, Chris Booy, Nigel Costley, Peter Daw, Ruth Drysdale, Iain Gray, Matt Hughes, Dom Passfield, Rt Rev Barry Rogerson, Professor Bhupinder Sandhu (by phone link), Lise Seager, Dr Louis Sherwood, Graham van der Lely, Professor Steve West

Apologies: Sherrie Eugene, John Rushforth

In Attendance: Professor Rob Cuthbert, Bill Marshall (for minutes G07.11.1-19), Katie Owen-Jones, Chris Wilson (for minutes G07.11.1-12)

CHAIRMAN AND DEPUTY CHAIRMAN

G07.11.1 Pursuant to Article 8.1, the Board confirmed in office the Chairman and the Deputy Chairman.

MEMBERSHIP

G07.11.2 The Chairman welcomed Peter Daw, student governor, to his first meeting of the Board.

JOHN RUSHFORTH

G07.11.3 The Chairman and the Acting Vice-Chancellor reported on Mr Rushforth's absence from the University. The Board wished him a speedy recovery.

MINUTES

G07.11.4 The minutes of the meeting held on 9 July 2007 were confirmed as a correct record, subject to a change to minute G07.7.44, the date of the next meeting, to 17 September 2007.

G07.11.5 The minutes of the business session of the meeting held on 17 September 2007 were confirmed as a correct record.

G07.11.6 The Chairman reported that he had asked the Clerk to produce a brief note of the special meeting of the Board held on 16 July 2007.

COUNTRYSIDE AND COMMUNITY RESEARCH INSTITUTE

G07.11.7 Further to minute G07.7.3, discussions about the financial aspects of the proposals had continued between the parties involved: an agreement had been reached with DEFRA. A proposal for funding had been submitted to HEFCE.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2007 AND RELATED MATTERS

- G07.11.8 Paper G07/11/1, the Report and Financial Statements, the External Auditors' Highlights Memorandum and Management Letter, and the Management Representations Letter, was received. The Director of Finance presented the accounts, commenting in particular on: the increases in assets, rent and interest payable as a result of the student village; the impact of the introduction of top-up fees on income; that costs had risen slightly more than income; the likely impact of job evaluation which had not yet been finalised; and that, although the overall budget out-turn had been better than expected, the impact of pensions had been to send it into deficit. He also reported one amendment to the accounts. The University Treasurer reported that the Finance and IT Committee had considered the accounts in some detail, and had raised no matters for the Board to take into consideration. He noted one alteration to the membership of the Board as listed.
- G07.11.9 The External Auditor confirmed the unqualified audit opinion included in the report. The main points from their audit work were drawn to Governors' attention, specifically matters relating to the NHS contract and the Sports Hall, and that in spite of the earlier reporting deadlines, the audit process had gone smoothly. By accepting the accounts Governors would be accepting the assumptions made on job evaluation and tax on the Sports Hall, and the audit work supported those assumptions. There was a brief report on HMRC's current focus on universities, on a range of issues. The Audit Committee had received a more detailed report and the Chairman of the Audit Committee confirmed that it had been satisfied with the report and management responses.
- G07.11.10 Concern was expressed about wording in the management representations letter, and whether the Board could make such an explicit statement that there had been no instances of fraud. The External Auditor drew attention to the overall context in which the statement appeared and that the Board was reliant on officers for assurance. The Director of Finance reported that all budget holders were required to sign a similar statement regarding fraud. The letter followed standard wording except those paragraphs referring explicitly to UWE's position, but members' concerns were acknowledged and it was right that they should take these responsibilities seriously.
- G07.11.11 **Annual Report of the Audit Committee 2006/07:** The Annual Report, Paper G07/11/2, was received and noted.
- G07.11.12 It was **RESOLVED**, on the recommendation of the Finance and IT Committee, that the Report and Financial Statements for the year to 31 July 2007 be approved and adopted. In addition:
- i) the Acting Vice-Chancellor was **AUTHORISED** to sign the letter to KPMG confirming that all material transactions had been disclosed in the financial statements, subject to one amendment;
 - ii) The Board **APPROVED** the submission of the Audit Committee's Annual Report to HEFCE.

The Chairman thanked all those involved in the production of the Report and Financial Statements.

FINANCIAL STRATEGY

G07.11.13 Received, Paper G07/11/3, a financial strategy which had been considered by the Finance and IT Committee. The Director of Finance presented the strategy which was an update of that which appeared in the Estimates in July 2007, noting in particular the specific changes. The Strategy had been considered, and was recommended, by the Finance and IT Committee which had asked for the inclusion of the section on exceptional circumstances. The Board noted that an investment strategy was being developed and would be brought forward in due course.

G07.11.14 In discussion members explored a number of matters, including the following:

- the financial position and management of the Avon Pension Fund, and the influence the University had on it; and the University's liabilities within the Scheme. The Board was largely reassured by what it heard, and that relevant committees received regular updates;
- the current level of reserves, and that the intention to move towards a 3% surplus was welcomed. This would be driven by the Senior Management Team (SMT) through the planning process over the next three years, and the Board recognised the challenge of achieving this;
- that the Estimates paper in July should reflect fully the ambition in terms of the reserves policy.

G07.11.15 The Board **APPROVED** the Financial Strategy as presented.

Minutes G07.11.16 - 19 and G07.11.20 – 21 are confidential to the Board.

PLANNING PROCESS 2008

G07.11.22 Received, Paper G07/11/4, papers on the forthcoming planning process. The Acting Vice-Chancellor reported that the process was moving ahead in a disciplined way and would see the setting of targets for faculties and services; the SMT had discussed the priorities that would help focus the planning. A report would be made to the Board at the end of the process.

G07.11.23 Noted, the papers relating to a review of the Joint Honours programme and proposed developments that had been agreed by Academic Board. The aim was to try to ensure that the range of combinations in the programme matched better what students were choosing; those discipline areas that would be reduced would be supported to develop what they offered in other ways.

Minutes G07.11.24 - 25 are confidential to the Board.

GOVERNANCE ISSUES

G07.11.26 A progress report was received on the implementation of the outcomes of the governance review and subsequent discussions of and adjustments to the revise arrangements, Paper G07/11/7.

ACTING VICE-CHANCELLOR'S REPORT

G07.11.27 Received, Paper G07/11/8, a report from the Acting Vice-Chancellor and the SMT on progress with a number of key developments and priorities since the last meeting of the Board, and other recent events.

G07.11.28 It was reported that both Unite and Unison had notified the University that they would ballot members about the Pay Equality Scheme, the outcomes of which were expected by mid-December. A response had not yet been received from UCU but it was expected that they would go ahead on the same time scale.

CHAIRMAN'S REPORT

G07.11.29 Noted, Paper G07/11/9, a report of action taken since the last meeting by the Chairman on behalf of the Board.

G07.11.30 The Board noted the current specific delegations of authority to the Chairman, the Emergency Committee and others (Paper G07/11/10).

G07.11.31 It was reported that the Lord Mayor had accepted an invitation to become Pro-Chancellor for the period of his term of office.

COMMITTEES OF THE BOARD OF GOVERNORS AND JOINT COMMITTEES

G07.11.32 The Board received and noted the unconfirmed or draft minutes or reports of the following meetings (Paper G07/11/11):
Joint Student Affairs Committee – 1 October 2007
Personnel Committee – 8 October 2007
Estates Committee – 15 October 2007
Joint Diversity Committee – 17 October 2007
Nominations Committee – 22 October 2007
Finance and IT Committee – 5 November 2007
Audit Committee – 12 November 2007

G07.11.33 **Finance and IT Committee:** The Board **APPROVED:**
i) a procedure for the approval for capital projects (Paper G07/11/11, Appendix E1);
ii) the revised Internal Financial Memorandum and Financial Regulations (Paper G07/11/11, Appendix E2).

G07.11.34 **Nominations Committee:** The Board **ENDORSED** the process for the identification and appointment of a Chancellor (Paper G07/11/11, Appendix G1).

G07.11.35 In response to a question about the operation of the Nominations Committee and the wider involvement of Governors, the Chairman reported: that the Committee regularly considered and added to a list of possible candidates as lay governors, any suggestions from Governors were always welcome; that the Committee had considered ways of drawing on a wider constituency, for instance through advertising; a skill set for the Board as a whole had been drawn up, and an audit of the skills of current governors undertaken in order to identify particular gaps to be filled. It was requested that governors putting forward suggestions be kept better informed of progress and decisions relating to those individuals; it was confirmed that this would be done in future. It was also suggested that the Board as a whole should receive more information about the nature and subjects of the Committee's considerations, whilst recognising the sensitive and confidential information that this included. It was **AGREED** that the current list of potential candidates be sent to members, in absolute confidence, for information and comment.

G07.11.36 Mr Booy proposed that Dr Sherwood be invited to join the Nominations Committee, which was supported by the Board.

(Secretary's note: It was subsequently confirmed to the Chairman that there was a vacancy on the Committee, which could be filled by Dr Sherwood.)

- G07.11.37 **Joint External Relations Committee:** Following the progress review of committee arrangements in the summer, it had been decided to replace the Committee with a combination of Faculty Advisory Boards and other University-wide fora. These new arrangements would be put into place as the new faculty structures were implemented.

ACADEMIC BOARD

- G07.11.38 Noted, Paper G07/11/12, the minutes of the meeting on 17 October 2007.

PROFESSORIAL TITLES CONFERRED 2006/07

- G07.11.39 The Board received an annual report on professorial appointments (Paper G07/11/13).

CORPORATE MANSLAUGHTER

- G07.11.40 Noted, Paper G07/11/14, a summary of the substance and implications of recent legislation on corporate manslaughter.

CHARITIES ACT

- G07.11.41 The Clerk reported on recent advice on a revised timetable for the implementation of the Charities Act, including publication of guidance on the public benefit requirement and matters relating to exempt charities.

CORPORATE SEAL

- G07.11.42 The Board noted documents sealed since the last meeting:
The Chartered Society of Physiotherapy: Physiotherapy Research Foundation Award
Contract for the refurbishment of the Tower Block, new windows, upgrade of M&E, and new facilities at Bower Ashton: UWE and Cowlin Construction Ltd.

HARTCLIFFE AND WORLE TRUSTS

- G07.11.43 The Clerk reported that Trusts were being established in connection with the development of new academies. The University would be a member of both Trusts with representation on the Boards, and would also be providing other professional support for the developments.

DATE OF NEXT MEETING

- G07.11.44 10 March 2008.

ACADEMIC BOARD

- G07.11.45 In response to a question, there was currently no open invitation for Governors to attend meetings of Academic Board. It was requested that this be a subject for discussion by the Board at a future meeting.

Minutes G07.11.46 – 47 are confidential to the Board.

The Acting Vice-Chancellor and the Deputy Vice-Chancellor left the meeting at this point.

Minutes G07.11.48 - 50 are confidential to the Board.

Meeting closed 8.35pm.