

CONFIRMED

BOARD OF GOVERNORS

Minutes of the Board of Governors meeting held on Tuesday 10 July 2012 held at the Watershed.

Present: C Booy; G Camm (Chair); S Forbes; Dr M Hagen; Dr J Harrington; J Laycock; S Moore; E Okon; Professor P Olomoloyaie; Professor G Upton; Professor S West.

Apologies: I Gray; S Mills; T Smallwood; G van der Lely.

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

G12.7.1 DECLARATIONS OF INTEREST

None received.

G12.7.2 MINUTES OF THE MEETING OF 22 MAY 2012

Paper G12/7/1 was received.

The Board confirmed the minutes of the last meeting.

ITEMS FOR DISCUSSION

G12.7.3 Strategy

Paper G12/07/2 was received.

G12.7.3.1 The Vice-Chancellor briefed the Board on the consultation process that continued to inform the development of the University's 2013 – 2020 strategy. The document would to provide a road map for the University, but with sufficient flexibility built in to accommodate on-going political and economic uncertainty. The paper developed thinking around how the strategy presented the institution to internal and external stakeholders. The objective would be to build on the UWE's strengths and history to describe the University through a set of values which in turn would be tested with Staff and the Students' Union prior to broader stakeholder consultation which would include regional businesses.

G12.7.3.2 During extensive discussion Governors:

- i. requested the Vice-Chancellor carefully consider length of the strategy to ensure that it was concise enough for people to easily engage with it;
- ii. noted that there would likely be two documents, an external facing strategy with headline key performance indicators (KPIs) identified, and an internal version with more detailed KPIs that were used for routine monitoring of progress against the strategy.;
- iii. explored appropriate ways of enhancing the presence of employability within the strategy to reflect UWE's strength in the area and noted that whilst "employability" was well liked and understood by parents, the students themselves sought a skill set which supported enterprise as well as employment;
- iv. questioned the extent to which the vision and mission statements could be student focused and capture the University's ambition to be a leading provider of flexible, accredited, programmes;
- v. considered how the strategy could encapsulate and project the positive external perception of UWE whilst remaining credible;
- vi. noted the tension between the desire to include all of the University's strengths, such as equality and diversity, and the need for the message to be concise.

- G12.7.3.3** The student Governor requested that consideration be given to how the strategy could highlight partnerships, particularly with the Student's Union, and international activity.
- G12.7.3.4** The Vice-Chancellor thanked Governors for their input and reminded Members they would be further consulted as the strategy developed and provided with a version for approval in Spring 2013. Whilst this would be beyond the lifetime of the current strategy it would ensure the new strategy was capable of guiding the complex investment and divestment decisions the University was likely to face in the future.
- G12.7.4** **Masterplanning**
Paper G12/07/3 was received and a presentation tabled.
- G12.7.4.1** The Vice-Chancellor summarised previous discussions with Governors that had led to the development of the revised plan currently before the Board which provided for greater phasing of projects with an increased emphasis on refurbishment as opposed to new build. Although the revisions to the plan allowed for distributed campuses in the medium term, the long term goal remained to consolidate as much as possible on an expanded Frenchay Campus although the importance physical proximity to the creative industries continued to be tested.
- G12.7.4.2** Although the revised plans had increased overall flexibility by creating more breakpoints and reduced the level of capital expenditure to £120m, the interim solution had the potential to dilute expenditure and detract from consolidation savings. However the risk would be outweighed by the benefits of a holistic estates improvement delivering improvements for all Faculties within a short timeframe. In summary this would see the:
- i. continued disposal of St Matthias campus by Summer 2015;
 - ii. high specification refurbishment of the core of Frenchay campus with modest additional space created to support the Faculty of Business and Law;
 - iii. development of media facilities at Bower Ashton with a review on the long term future of the campus;
 - iv. options available for Glenside reviewed.
- G12.7.4.3** Governors warmly endorsed the new approach and during discussion noted that:
- i. the student experience at Glenside and Bower Ashton was well liked by students due to a community feel however the size of the latter impaired development options whilst the listed status and physical construction of Glenside also represented a barrier to development;
 - ii. to ensure incremental investment in Bower Ashton and Glenside Campuses did not dictate the future estates strategy the evaluation of the options available for both sites would be completed within six months and where possible investment would focus on equipment which could be moved elsewhere in the future;
 - iii. the flexibility of a multi-site institution might be appreciated by future trustees;
 - iv. in response to a question from the Student Governor although students would be paying more, the income to the University remained broadly static due to a corresponding reduction in HEFCE income. As a result the University needed to carefully manage student expectations particularly whilst there were undergraduate students paying two markedly different levels of tuition fee. Work was currently being prioritised to increase contact time and deliver technology improvements to support learning;
 - v. the refurbishment would support the delivery of the academic hub project through recycling space which would be vacated by the Students' Union.
- G12.7.4.4** Members also discussed the future options for student accommodation noting that there may be opportunities to develop more bed space either on the Frenchay campus, or develop a student village at Glenside. This could allow the University to decrease its dependence on, and the risks associated with the use of, third party providers giving more students the option of onsite accommodation. Any additional accommodation could be developed from a range of finance and build options.

- G12.7.4.5** Governors reiterated their support for the revised plan and noted that the Board and Finance, Estates and IT Committee would begin to receive proposals for financial sanction for individual refurbishment projects which fell above the Vice-Chancellor's limits of authority in the autumn term.
- G12.7.5** **Risk Management**
Paper G12/07/4 was received.
- G12.7.5.1** The Chair of Audit Committee highlighted to the Board that the narrative risks presented within the paper had been discussed by Audit Committee on behalf of the Board but had been brought for discussion at Governors request.
- G12.7.5.2** During discussion of the individual risks identified members noted the:
- i. financial and reputational impact of a suspension of UWE's highly trusted status from potential spot checks by the UK Border Agency (UKBA) could be severe. To mitigate this the University had employed a specialist consultant to audit its processes and as a result had made a number of minor adjustments to ensure full compliance with the UKBA guidance; however the guidance continued to be subject to multiple revisions and variable interpretation by local and central UKBA offices.
 - ii. UKBA policies impacted on the University and other businesses in their capacity as employers. The CBI would be discussing the effect of UKBA regulation on business at a forthcoming event which the University may be able to contribute to;
 - iii. recent publication of league table data illustrating that UWE's staff : student ratio may be falling behind comparator institutions. In mitigation work had been commissioned in order to consider whether the University was appropriately using discretion, where permitted, to determine how staff were reported;
 - iv. interlinked areas of student recruitment and published information as the government sought to develop university applicants into more informed "consumers". This would generate new data sets enabling greater comparison between programmes. The effect of this on the market, and recruitment remained difficult to predict.
- G12.7.5.3** Governors further noted that the risks presented had been drawn from the highest rated risks on the corporate section of the risk register and as such a number of risks were not included. In particular:
- i. failure of health and safety management systems remained on the corporate risk register and the Board would receive the annual Health and Safety Report early in the new academic year;
 - ii. reputational risk was not included as a separate item on the risk register as it primarily stemmed from a failure to manage other risks such as those associated with the delivery of collaborative provision.
- G12.7.5.4** Members welcomed the format of the presentation of the key risks and **agreed** that it would expect a similar narrative review of key risks alongside the twice yearly discussion of the corporate risk register. The Vice-Chancellor's Executive Group would take a monthly view on whether Governors should be alerted to emerging risks in between scheduled discussions.

ACTION: Clerk

ITEMS FOR APPROVAL

G12.7.6 Budget Estimates 2012/13 and forecasts to 2014/15

Paper G12/07/5 was received.

- G12.7.6.1** The Deputy Chair informed Members that the paper had been received and endorsed by Finance, Estates and IT Committee which had noted the considerable risks associated with long term forecasting in the current political and economic climate and had requested that the Board receive a sensitivity analysis to accompany the forecasts.
- G12.7.6.2** The Assistant Vice-Chancellor (Finance and Commercial Projects) noted that following the move to a 4.8 per cent surplus in the current financial year the bottom up methodology driving the 2012/13 estimates meant that a five per cent surplus prior to exceptional items could be expected. It was less clear whether this would be attainable in future years due to the high number of variables that could affect income and expenditure. These included uncertainty over:
- i. fee income which would be increasingly contingent on student numbers;
 - ii. pay awards which had been budgeted to be no more than one per cent;
 - iii. interest rates, pension contributions, the requirements of access agreements and the rate of spend on the capital programme which in turn would dictate depreciation costs.
- G12.7.6.3** The sensitivity analysis presented a base case with additional best and worst case scenarios and demonstrated that in all cases further efficiencies would be required in order to meet the Board's five per cent surplus requirement.
- G12.7.6.4** Governors noted the judgement of the Finance, Estates and IT Committee that the University remained in good financial health and:
- i. **Approved** the Estimates as the framework within which the Vice-Chancellor would determine final detailed budgets;
 - ii. **Approved** the Capital Estimates;
 - iii. **Endorsed** the earlier submission of the 2013/14 and 2014/15 financial forecasts to HEFCE.

G12.7.7 Freedom of Speech Policy

Paper G12/07/6 was received.

- G12.7.7.1** The policy provided the University with a framework within which it could protect the right of students and staff to exercise free speech and manage the potential risks by through the creation of a process for notifying the University of meetings and placing a responsibility on staff and students to ensure that their right to freedom of speech was exercised within the limits of the law.
- G12.7.7.2** Governors **approved** the code of practice for freedom of speech.

G12.7.8 Statement of Primary Responsibilities

Paper G12/07/7 was received.

Members **approved** the adoption of the statement of primary responsibilities and noted that it would be published on the University's website.

REPORTS

G12.7.9 Forecast Financial Outturn

Paper G12/07/8 was received.

Governors welcomed the better than expected outturn and the increased level of transparency around the University's financial performance.

ITEMS TO NOTE

G12.7.9 2012/13 Board of Governors Committee Calendar

Paper G12/07/7 was received and noted.

G12.7.10 Date of next meeting

25 September 2012, 15:00, Dartington Suite, Wallscourt Farmhouse.