

## UNIVERSITY BOARD

## MINUTES OF THE MEETING HELD ON FRIDAY, 29 JANUARY 2010

Present: Mr AJ Frost (Chair).  
Mr C Appleton; Dr P Barnwell; Ms M Barron, Prof P Curran; Mr G Darnton; Mrs J Dawson; Mr C Elder; Mrs K Everett; Mr J Francis; Rev Dr D Hart; Mr T Lee; Mrs F McMillan; Dr P Rawlinson; Mr J Ricci; Mr M Riordan; Mr R Spragg; Mr G Sturdy; Mrs S Sutherland; Prof J Vinney; Mr D Willey

In Attendance: Mr N Richardson (Clerk to the Board); Mr G Rayment (Committee Clerk; Dr M Humphreys (Item 3.1); Mr I McMullan (Item 4.4); Mrs E Wray (Preliminary Item)

Apologies: Prof C Hallett; Mr D Hines; Prof N Petford

*Before the meeting commenced, Emma Wray of the Marketing & Communications Team presented the BU Annual Report, to be published at the end of February 2010. The Annual Report's primary publication media will be via a 'microsite', accessed via the BU Website Home page. The theme for the site will be 'Reasons to be proud of BU' and the content will include 10 short films plus a picture gallery, summary of the annual financial accounts and a 'download centre' with access to the strategic and corporate plans. A small number of printed versions of the report will also be available.*

## ACTION

## 1. MINUTES

1.1 Board Meeting (13<sup>th</sup> November 2010)

The Minutes were approved as an accurate record, subject to the clarification that the Revised Strategic Plan and Five Year Financial Plan had been formally endorsed by the Board, subject to the final versions being agreed by the Strategy & Resources Committee (Items 3.1 and 3.2.1). The Chair of Strategy & Resources Committee confirmed that the Committee had approved the final versions of both the Revised Strategic Plan and the Five Year Financial Plan. There was no requirement for these documents to be referred back to the Board for further consideration and sign-off following this final endorsement by the Strategy & Resources Committee.

## 1.2 Matters Arising

1.2.1 Board Lunch Seminars (Minute 1.2.1). The proposed date for the next Board Lunch Seminar is Thursday, 11<sup>th</sup> March 2010. Subject to his availability, Paul Pharaoh (of Martineau Solicitors) will be invited to brief the Board on the implications of changes to the Charities Act, the Companies Act (where relevant) and of HEFCE's new role as principal 'regulator' for the HE sector.

Clerk

1.2.2 Strategy & Resources Committee (Minute 2.1.1). Mr Hines has volunteered to replace Mr Francis as the 'rotating' member on the Strategy & Resources Committee.

- 1.2.3 Health & Safety 'Champion' (Minute 2.1.2). Mr Lee informed the Board that he was continuing to seek a volunteer to act as the Board's Health & Safety Champion as per recommended best practice. This issue would be considered at the next meeting of the Audit & Risk Committee.
- 1.2.4 Letters of appointment (Minute 2.1.3). Letters of Appointment were sent to Members on 11<sup>th</sup> January 2010. The Chairman stressed the importance of all Board Members indicating their agreement to the terms set out in these letters and asked that any members who had not yet returned signed copies of the letters should do so as soon as possible and certainly within the next 3 weeks. The Chair and the Vice-Chancellor emphasised the importance of Members understanding and agreeing to these Terms, particularly in respect of observing the confidentiality of Board discussions. Any members who had questions regarding the Terms of Appointment set out in the letters were welcome to discuss them with the Chair or the Clerk to the Board.
- 1.2.5 Somerset Universities Partnership Project (SUPP) (Minute 2.1.5). Briefing documents on SUPP had been circulated to Members on 7<sup>th</sup> December 2009, with the draft minutes of the previous Board meeting.
- 1.2.6 Briefing from HEFCE (Minute 2.1.6). Mr Egan (Deputy Chief Executive, HEFCE) will present to the Board at the CPD session immediately following the July meeting.
- 1.2.7 Board Seminar (Minute 3.1.4). A special meeting of the Board will take place on 21<sup>st</sup> May 2010 to discuss the various strategic review projects arising from the Revised Strategic Plan.
- 1.2.8 The Business School (Minute 4.2.1). The PVC(E&PP) informed the Board that a consultation exercise on the restructuring of the Business School had taken place between 9<sup>th</sup> November 2009 and 13<sup>th</sup> January 2010. Revised plans arising from the consultation had now been approved. It was hoped that Prof Lange would be available to take questions on those plans at a future Board dinner.

**Members**

## **2 BOARD MATTERS**

### **2.1 Membership**

- 2.1.1 *(Mrs Sutherland withdrew from the meeting for this discussion).*

Nominations had been sought for a new Chair to replace Mr Frost when his term of office ends in November 2010. The Chair asked Members present to formally agree that Mrs Sutherland, being the only nominee, take over as Chair on 1 December 2010. Members approved this appointment.

- 2.1.2 The Chair informed the Board that Mr Smith and Rev Dr Hart had resigned from the Board due to the pressure of other commitments. Work was in hand to seek replacements and the Nominations Committee would consider the issue at its next meeting on 24<sup>th</sup> March 2010. Arrangements to fill the vacancies left by Mr Smith and Rev Dr Hart on the various sub-Committees (including Chair of the Strategy & Resources Committee) would also be considered.
- 2.1.3 The Chair thanked Mr Smith and Rev Dr Hart for their excellent work on the Board and the contribution they had made to the University over the last few years.
- 2.1.4 It was proposed by the Chair that Mr Darnton join the Student Experience Committee.

### **3 STRATEGIC REPORTS**

#### **3.1 Estates & IT Strategies**

3.1.1 The DVC introduced this item and explained that a presentation would be given on the emerging findings and initial conclusions for the revised Estates Strategy 2010 to 2019. The Estates Strategy was expected to be completed in Spring 2010 and would be submitted to the Board for endorsement in its final form. The IT Strategy was presented to the Board for its approval. It had already been considered by the Strategy & Resources Committee (who had requested further information, now addressed in the paper submitted to the Board) and had been fully endorsed by the University's Senior Management Team.

##### The Estates Strategy: Emerging findings

3.1.2 Dr Humphreys (Director, Estates & IT) gave a presentation to the Board (see Annex A). It was apparent that the Talbot Campus was at maximum capacity in terms of its current estate and there was little room for flexibility. There was also a clear need to maintain the quality of the estate and ensure that it was fit for purpose and met the University's strategic requirements. Other considerations included the need to reduce energy costs and carbon emissions. In terms of the availability of student accommodation, the University was currently falling short of its target to provide the offer of University-controlled accommodation to all new entrants and International students. Between 1000 and 1500 new places would be required to meet current demand, plus a further 500 to allow for growth.

3.1.3 Findings showed that there was also a need to make improvements to the University's sports and recreation facilities, which were currently considered to be inadequate. A new Enterprise Business Centre was also proposed, possibly located on the 6<sup>th</sup> floor of the Executive Business Centre.

3.1.4 Other requirements included the creation of a 'Lansdowne Exchange', which would provide greater cohesion for the current Lansdowne Campus, and the possible development of a new Media School building.

3.1.5 Dr Humphreys summarised the expected financial plan (2007 -12) and strategic risks (commercial in-confidence).

3.1.6 The Board noted the emerging findings and it was clarified that the plans do not include provision for a Hotel School, which, should it progress, would be funded by external agencies.

##### IT Strategy

3.1.7 Mrs Sutherland commented that the paper presented to the Board was helpful and addressed the issues which had been raised by the Strategy & Resources Committee. The Board considered the Finance and Resource Plan for the IT strategy (page 24) which included information on revenue commitments. No assumptions had been built into these estimates regarding potential savings or contingency funds. This information would be included in more detailed financial profiles which would be provided for approval and as part of the Board's annual sign-off of the University's budget and revenue forecasts.

3.1.8 It was clarified that Board Members were being asked to endorse only the wider 'financial envelope' for the IT Strategy and its overall direction at this stage. More detailed proposals for each project to implement the Strategy would be presented to the Board for approval as they arose. The Board's attention was drawn to the Governance arrangements set out at page 34 of the document for further information on this process. This modular structure provided checkpoints which allowed scope for the Board to review the direction if, for example, the economic

climate worsened. The Board welcomed the additional assurances provided by PA Consulting and considered what further mechanisms might be put in place to provide continuing independent assurance throughout the implementation of the IT Strategy. It was noted that internal auditors KPMG might be expected to undertake this role.

3.1.9 Members asked whether the proposed IT infrastructure provided opportunities to use multiple platforms rather than, for example, reliance on Microsoft systems. It was confirmed that the proposed system architecture did allow for this and that other platforms could be used provided they were integrated within the overall system.

3.1.10 The Board endorsed the IT Strategy.

### **3.2 Higher Education Funding for 2010-11**

3.2.1 The DoF presented this paper for the Board's information. It provided details of the latest position regarding higher education funding for 2010-11, including Lord Mandelson's letter to HEFCE on 22<sup>nd</sup> December 2009. It was noted that the Five-year Financial Plan assumed that there would be a reduction of 10% in the HEFCE grant for this period. It was hoped, therefore, that there would be no requirement for further reductions, although the situation would continue to be closely monitored. The Board discussed possible implications of a change of Government following the general election, although it was not known what changes might be introduced by a Conservative Government. Members asked what the current situation was regarding the threatened penalties for over-recruitment of students and it was confirmed that the University would probably be subject to a fine for recruiting 75 students above the capped limit.

### **3.3 Carbon Management Plan**

3.3.1 The DVC presented this paper which contained the University's first Carbon Management Strategy and 10 year Implementation Plan for endorsement by the Board. The DVC emphasised that the targets included in the Strategy were ambitious but necessary given the likely dependence of future funding on effective carbon management. A key factor in the delivery of the plan would be individual and organisational behaviour change.

3.3.2 The Board welcomed the paper and asked if any grants were available to help fund its implementation. It was explained that an interest-free loan facility was available and being fully utilised. Members discussed how they might help to lead the implementation of the plan, perhaps by acting as role models. The Board also discussed what data were available on energy usage. This had improved since the University had introduced sub-metering which allowed energy costs to be broken down by building. The DVC informed members that the University had just secured 'silver' EcoCampus status. Over time the University was working towards achieving top EcoCampus status (platinum), effectively equated to ISO1400 standards. It was also noted that LED based lighting systems had a number of advantages (for example, they do not have the disposal issues associated with 'energy saving bulbs') and might be considered as a future option.

3.3.3 The Board endorsed the carbon management strategy and implementation plan.

### **3.4 Periodic Performance Review (KPIs)**

3.4.1 The DVC presented this paper for the Boards' information and informed the Board that the new KPIs had now been endorsed by the Strategy & Resources Committee. Members asked whether a 'Core satisfaction' KPI was required in

respect of student experience and it was noted that the current student experience KPI included results from the National Student Survey. Members also asked whether a KPI on staff-turnover would be beneficial. It was noted that the Human Resources Committee monitored staff-turnover and also that the new set of KPIs had only recently been introduced and should be allowed to stabilise before any further changes were considered. The DoF explained that the KPI relating to FEC recovery showed a reduction because projects had been deliberately submitted for larger bids with lower recovery rates.

### **3.5 Professional Services Review (PSR): Update**

- 3.5.1 The Board noted this information paper presented by the PVC(E&PP). It was clarified that community, culture and sport fell within the Student Services part of Student & Academic Services, as did student welfare.

## **4 UNIVERSITY EXECUTIVE GROUP REPORTS**

### **4.1 Vice-Chancellor's Report**

- 4.1.1 The Vice-Chancellor reported on the review of academic fees, currently being Chaired by Lord Browne, which was expected to report in Summer 2010. This review would consider key issues including how income from fees was spent; whether fees deterred poorer students; whether higher fees resulted in better value for students; and whether the Government could afford the current loan system.
- 4.1.2 The review was currently gathering evidence and BU had made submissions via Universities UK and the University Alliance. The increase in fees which had occurred in 2006 had been welcomed but had failed to make the sector sustainable and the bill to the taxpayer had been high. Public perceptions of fees were largely negative and fuelled by fear of debt and misperceptions in respect of how the system worked. There was no evidence to support the view that the introduction of variable fees had adversely impacted on 'disadvantaged' students (for example recruitment among poorer students had increased), but it too remained a powerful perception. There appeared to be an appetite within Government to address these issues through improved PR. Members asked whether data were available on the recovery rate for student loans but it was explained that the system was still too new to have such data available.
- 4.1.3 Members noted that BU had dropped some places in a recent Times Higher survey and asked if this was significant. The Vice-Chancellor explained that the sample size for this particular survey was too small to provide any meaningful interpretation in a given year.

### **4.2 Anglo-European College of Chiropractic (AECC)**

- 4.2.1 The DVC gave a verbal report on developments with the University's partnership arrangements with the AECC. (commercial in-confidence)

### **4.3 Proposed variations to the Financial Regulations**

- 4.3.1 The DoF presented this paper which required the Board's endorsement of changes to the Financial Authority limits and changes to the post contract approval processes once contractual commitments have been authorised at the contract award stage. The changes had been discussed by the Strategy & Resources Committee (11<sup>th</sup> December 2009) and they agreed that the changes should be recommended to the Board for approval subject to a tightening of the controls for the write-off of bad debts. As a result it was proposed that this

approval be restricted to the DoF up to a limit of £200,000. Above this level dual approval would be required from the UEG for amounts up to £500,000 and by the Board for amounts of £500,000 and above. The Board approved the amendments as set out in the paper.

#### **4.4 The BU Foundation**

- 4.4.1 The Director of the BU Foundation, Mr Iain McMullan, gave a verbal report on progress with the BU Foundation and on future income prospects. The BU Foundation is the University's vehicle for development and fund raising activities. The Foundation had spent approximately £700,000 in the past year on fundraising activities and alumni relations. The BU Foundation received income of £1.3 million, although this figure included a transfer from the Endowment Trust. Research funding was also acquired via the Foundation and gifts received through the Foundation qualified for matched funding from the Government. Current activities included building on existing relationships through one to one communication with approximately 200 individuals, details of which were kept on a database. Approximately 60,000 alumni were in contact with the University. Only a small proportion of these were currently donors, although it was likely that this would increase over time and become an important source of revenue.
- 4.4.2 The Board welcomed these developments and it was noted that the University's reputation was gaining ground among the local community.

### **5 COMMITTEE REPORTS**

#### **5.1 Strategy & Resources Committee (11<sup>th</sup> December 2009)**

The unconfirmed minutes were noted and it was agreed that these would be clarified at the next meeting of Strategy & Resources Committee to show that the KPIs, the Revised Strategic Plan and the five-year Financial Plan had been formally endorsed by the Committee as authorised by the Board (cf minute 1.1 above).

##### **5.1.1 Terms of Reference**

Mr Darnton raised concerns that the number of Executives attending the last two meetings of Strategy & Resources Committee meeting was greater than the number of independent Board Members and was not reassured by the revised Terms of Reference. Other members did not share this concern and the Chair pointed out that all Board members were expected to act independently and in the best interests of the University. Members noted that this issue may be discussed more fully at the Lunch Seminar on 11<sup>th</sup> March 2010, where, as already agreed, broader Governance issues will be the topic of the presentation.

##### **5.1.2 Management Accounts**

Members noted the Management Accounts

#### **5.2 Audit & Risk Committee (12<sup>th</sup> November 2009)**

The minutes were noted.

##### **5.2.1 Risk Register**

The Risk Register was noted.

#### **5.3 Human Resources Committee (18<sup>th</sup> January 2010)**

The Report was noted. The Deputy Chair highlighted the appointment of a new

Director of Human Resources, Jim Andrews, who would replace Mr Riordan upon his retirement at the end of March 2010.

**5.4 Student Experience Committee (25<sup>th</sup> November 2009)**

The Minutes were noted. The PVC(E&PP) highlighted the Committee's priorities to consider how to improve NSS results and first year student experience.

**5.5 Research & Enterprise Committee (29<sup>th</sup> October 2009)**

The minutes were noted.

**5.6 Research Ethics Committee (25<sup>th</sup> November 2009)**

The minutes were noted along with the appointment of a new independent Chair of the Committee, Dr Bob Chapman.

**6 ANY OTHER BUSINESS**

- 6.1** An e-mail from the Association of Heads of University Administration (dated 25<sup>th</sup> January 2010) was tabled. This explained that the Leadership Foundation for HE was currently being evaluated by HEFCE and Board members who had attended Leadership Foundation events were asked to respond to this on line survey at [www.surveymonkey.com/s/PDZQ6QC](http://www.surveymonkey.com/s/PDZQ6QC).

**7. DATE OF NEXT MEETING**

The next meeting of the Board will take place at 9.30am on **Friday, 23rd April 2009**, in the Boardroom, Poole House, Talbot Campus. This will be preceded by the usual presentation and dinner on **Thursday 22nd April**, from 6.00pm. The April Board Meeting will be followed immediately by the University's Annual Review event (details to follow, venue to be confirmed).

Noel DG Richardson  
Clerk to the University Board  
3 February 2010

Board\_minutes\_January 2010\_confirmed

Approved as a true and accurate record, subject to any amendments agreed at the Board meeting of 23<sup>rd</sup> April 2010:

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Mr Alan J Frost (Chair)

Date:.....23 April 2010.....