

UNIVERSITY BOARD

MINUTES OF THE MEETING HELD ON FRIDAY, 12 NOVEMBER 2010

Present: Mr AJ Frost (Chair).
Mr J Andrews; Dr P Barnwell; Ms M Barron; Mr I Carter; Mrs J Dawson; Mrs K Everett; Mr J Francis; Prof C Hallett; Mr D Hines; Mr T Horner; Mr T Lee; Ms M Mayer; Dr P Rawlinson; Mr G Sturdy; Mrs S Sutherland; Prof J Vinney; Mr D Willey.

In Attendance: Mr N Richardson (Clerk to the University Board).
Mr G Rayment (Committee Clerk).

Mr R Sheath (Independent Audit Ltd.)

Apologies: Mr C Appleton; Mr C Elder; Mrs H McCarthy; Mrs F McMillan; Mr R Spragg.

Declarations of Interest:

In respect of Item 3.1.3, the Chair declared an interest as a member of the Talbot Woods Residents' Association.

In respect of Item 4.2, Mrs K Everett declared an interest as Director of subsidiary companies Widget Co and BU Ltd.

In respect of Item 4.2, Mr D Willey declared an interest as Director of subsidiary company BU Ltd.

ACTION

1 REVIEW OF UNIVERSITY GOVERNANCE & OF THE EFFECTIVENESS OF THE UNIVERSITY BOARD

1.1 Mr Sheath of Independent Audit Ltd presented his summary report of the findings of the review of governance and the Board's effectiveness. The timing of the review was appropriate in the context of the changing HE environment and, in particular, changes to funding arrangements for the sector and the challenges and opportunities this presents going forward. The review had found that there was generally a good understanding among Board members of their role. It was suggested that concerns had been raised regarding executive members understanding of the role of the Board and the need for accountability. The executive members strongly disputed this claim, however, and independent members agreed that the Executive worked closely with the Board and referred decisions and approvals to them in an appropriate way. It was clarified that any such opinions expressed to the consultants by independent members had been in respect of previous members of the Executive and that these issues were no longer a concern.

1.2 The report noted the size of the Board and the challenges associated with having a relatively large membership. Improvements might be made by considering whether the number of independent members might be reduced and reviewing the attendance of executive and staff representatives at meetings. The need to amend the Articles of Government should not be seen as a barrier to making necessary changes. It was noted, however, that the commitments of independent members meant that it was inevitable that they would not be able to attend all meetings. It was important that the number of independent members was sufficient to ensure that Board Committee meetings were quorate and, therefore, that the opinion of the independent members of the Board was well represented.

- 1.3 The review had considered the Strategy & Resources Committee's role and structure and recognised concerns about the appropriateness of the delegation of strategic decisions to the Committee and the risk of creating a 'two-tier' Board structure. This may be inevitable given the current size of the Board. Members discussed how these issues might be addressed and suggested the reinstatement of a separate Finance Committee (being careful to avoid any overlap with the role of Audit & Risk Committee). It was noted, however, that 'Finance' was too narrow a remit and that it might be more appropriate to create a 'Resources' committee dealing with resource planning and budgetary issues, and for strategic issues to be dealt with directly by the full Board.
- 1.4 The report recommended that the role of Board representatives on the Research & Enterprise Committee be reviewed, with a view to the strategic aspects of R&E being dealt with by Strategy & Resources Committee or the full Board (cf minute 1.3 above). Non-executive members of the Committee confirmed that their role on the Committee was unclear, particularly since it had become a standing committee of Senate rather than the Board. There was, however, agreement that deliberation of high level enterprise issues should include independent members' input and that enterprise was closely linked to research.
- 1.5 The report noted concerns about a perceived lack of diversity amongst the Board membership. However, it was the opinion of the consultants that the University Board membership was relatively diverse and included an appropriate mix of skills and experience. Members noted that, in the current climate of change, the Board would require a broad mix of commercial sector skills and experience in addition to more specific pricing and marketing skills.
- 1.6 On the operation of meetings, it was felt that the quality of papers was good although more might be done to signpost particular points where the input of Board members was needed. This might include specific points for particular members, for example where an opinion from the student Member was required. On the meetings, themselves, members' views varied on their style and effectiveness. Some felt that the Board meetings could be formulaic compared to sub-committee meetings and Board seminars. It was suggested that consideration be given to dealing with routine business electronically, in advance of the meeting, in order to allow the meetings to focus more on deliberation and debate.
- 1.7 Members noted the need for the Board to give more time and priority to the discussion of student experience issues and that this could involve seeking the views of the wider student body. The SU President confirmed that sabbatical officers and others would be very willing to engage in Board discussions. It was agreed that, where appropriate, additional student representatives could in future be invited to join the Board for particular discussions.
- 1.8 The Board discussed the role of staff Members. It was clarified that, whilst such Members were elected by a particular constituency, they did not 'represent' those staff. Rather, as is the case with all Board members, including members of the Executive, they participated in Board discussions as individuals and were not expected to gather or present the views of the constituency by whom they had been elected.
- 1.9 Members also agreed that, in view of the challenges facing the sector, there would be a need for the Board to respond quickly to developments. To this end there would be a need to agree processes to take forward decision-making outside of the routine meetings, for example through the use of Chair's Action or short-life task groups.
- 1.10 Mr Sheath confirmed that the full report, taking into account the Board's discussions, would be presented to the Board shortly. It was agreed that the full report would reference relevant best governance practice in the HE sector and, in that context, would include proposals for new committee structures. The incoming Chair invited members to submit any additional comments on the report to her by e-mail.

RS/Members

2 GOVERNMENT DEVELOPMENTS: THE 'BROWNE REVIEW' AND THE COMPREHENSIVE SPENDING REVIEW

Commercial in confidence

- 2.1 The Chair reported on discussions which had taken place at the CUC conference concerning changes in the Sector, particularly relating to funding arrangements. This was clearly a challenging time, but also a time of exciting opportunities. To exploit these opportunities it was important that the University be able to move quickly and be flexible in its decision-making processes, governance and strategic planning. Major issues for discussion would include defining the University's market position; our relationship with FE colleges; and opportunities for mergers and acquisitions. Student engagement would be important throughout these discussions. The Board must lead the process of revising, where necessary, the University's strategic direction and increasing competitiveness; agreeing a shared vision and providing the leadership to take it forward; adding value by providing expertise and scrutiny; and revising governance arrangements as necessary to meet the imminent challenges.
- 2.2 The VC summarised recent Government developments. The Browne report had proposed a radical and fundamental shift in the operation of HE. However, whilst the Comprehensive Spending Review (CSR) confirmed that cuts would be made in government funding, to be off-set by increases in fees, the Government response to the Browne report had been less radical, abandoning the proposed removal of a cap on fees with an increase in the cap to £9,000 (with fees in excess of £6,000 requiring a proportion to be paid to a scholarship fund). [Confidential].
- 2.3 [Confidential]
- 2.4 [Confidential]
- 2.5 The DVC set out details of the process for staff engagement sessions and planned discussions which would take place at ULT meetings (covering research, student experience, partnerships and the IT & Estates strategies). The EDoF was discussing with the Director of Student & Academic Services how best to ensure student engagement in the process. A Board seminar would take place on 16 December (11.00am to 3.00pm), following the Strategy & Resources Committee meeting. The Clerk would circulate details of the seminar in due course. A second seminar may take place in February or early March. However, it was noted that prospectuses for the coming year would need to be published in May 2011, so discussion themes would need to converge not long after Christmas in order that firm policy statements could be included in those publications.
- 2.6 [Confidential]

3 MINUTES OF THE PREVIOUS MEETING (9 July 2010)

The Minutes were approved as an accurate record. The Chair reminded members that the non-confidential confirmed minutes would be published on the Portal in accordance with University policy.

3.1 Matters Arising

- 3.1.1 Board Lunch Seminars (Minute 1.1.1). No further suggestions for topics for lunchtime seminars had been received. Therefore, no further seminars would be scheduled for the time being.
- 3.1.2 Changes in Charity Legislation (Minute 2.4.2). The EDoF confirmed that there were no further developments to report.

- 3.1.3 Estates Strategy (Minute 3.4). Further to previous discussions, the DVC informed the Board that the Secretary of State had 'called-in' the Talbot Village Trusts' planning application. As a result it was expected that there would be a public inquiry next year and that there would be no further progress with the development for 12 to 24 months.

Other matters arising were dealt with under the main agenda items.

3.2 International Student Preparatory Provision

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- 3.2.1 [Confidential]

4 BOARD MATTERS

4.1 Membership

Ms Mayer left the meeting for this Item

Following her election by the academic staff, the Board formally approved the appointment of Ms Mayer as a member of the Board for a period of three years.

Ms Mayer rejoined the meeting.

4.2 Appointment of a Nominated Officer

- 4.2.1 The Board approved the appointment of Mr J Andrews as Nominated Officer for all subsidiary companies.

- 4.2.2 [Confidential]

- 4.2.3 [Confidential]

- 4.2.4 [Confidential]

5 STRATEGIC REPORTS

5.1 Strategic Plan Reviews: Executive Summary

- 5.1.1 The DVC presented this paper which summarised the final outcomes from the ten strategic reviews arising from the revised Strategic Plan. All reviews had been concluded apart from the review of the University's Regional Role and Profile which had been suspended pending the outcomes of developments affecting local and regional government and the Multi-Area Agreement. The Board would continue to receive reports on relevant actions arising from the recommendations of the various reviews. It was noted that, in any case, the Strategic Plan would need to be revisited in broader terms as a result of recent government developments.

5.2 Periodic Performance Review

- 5.2.1 The EDoF presented this paper which gave the position on performance against the KPIs as at the end of 2009-10. The Board noted the report.

6 UNIVERSITY EXECUTIVE TEAM REPORTS

6.1 Financial Statements

- 6.1.1 The EDoF presented the Financial Statements for 2009/10, which were recommended for Board approval by Audit & Risk Committee. The Committee had considered the report in detail and the amendments proposed by them had been incorporated into the final draft. The Board congratulated the EDoF on the headline surplus figure for 2009-10 and approved the statements. The Board also noted the statements of the BU subsidiary companies. These would be presented to their respective Boards for approval and were presented to the University Board for information.

6.2 Accountability Returns

- 6.2.1 The EDoF presented the draft Annual Accountability Return, which was recommended for approval by Audit & Risk Committee. The Board also noted the recent circular from HEFCE (tabled) which extended the deadline for the Financial Forecast element of the return from December 2010 to April 2011, in recognition of the current uncertainties arising from the Comprehensive Spending Review. The Board approved the Annual Accountability Return, including the internal and external auditors' Annual Reports and Management Letter.

6.3 Staff Survey

- 6.3.1 The Chair congratulated the EDoHR and his staff on winning the Leadership Foundation Good Practice Staff Development Impact Award.
- 6.3.2 The EDoHR presented a paper setting out an action plan for implementing recommendations arising from the 2010 Staff Survey. This was the first staff survey to be conducted since 2002. Such surveys would now be undertaken annually, allowing the University to track changes over time. The results were felt to be broadly positive given the amount of change the University staff had been subjected to in recent years. Members noted the report and endorsed the action plan. Members also noted, however, that despite the broadly positive results there were clear areas requiring improvement, such as reported stress levels and the sense of staff not being valued by the University. It was also important to ensure that University leadership (at Dean and Director level) had appropriate management skills. The EDoHR noted that good practice guidance on identifying and tackling stress was available from several sources, including the Health & Safety Executive.

6.4 Report from the Change Management Board

- 6.4.1 The DVC presented this report and the Board noted progress with the programmes to implement the Estates and IT strategies. A full report on the implementation of the IT strategy will be brought to the Strategy & Resources Committee in December and to the Board in January. Members noted the risks identified in the report, specifically the risk of delays to completion of the Kimmeridge House building project; the affordability and complexity of the proposed Lansdowne exchange; and the challenge of recruiting and retaining IT staff.

DVC

7 OTHER REPORTS

7.1 BU ART Loan 2010-2012

Mr Francis informed the Board of the success of the Arts Loan Working Group in acquiring an exhibition of works by Dame Elisabeth Frink, on loan to the University for a period of two years. This was a prestigious and important exhibition and it was intended that the exhibition (and subsequent access to many other sculptures, drawings and other related materials held by the Frink estate), should be used as a teaching resource. A lecture event on the exhibition was planned for the future. Members noted that the Frink Estate was also prepared to consider the permanent loan of two major sculptures to the University provided that a suitable site could be provided by the University. Members discussed the associated costs of the exhibition (for example, security arrangements) and the costs associated with preparing a site for the permanent loan. It was noted that, whilst these costs would account for a large proportion of the annual arts loan budget, the cost would be evaluated in terms of the benefits accruing to the University's staff and student experience.

8 COMMITTEE REPORTS

8.1 Audit & Risk Committee (1 October 2010 and 11 November 2010)

The minutes of the 1 October meeting were noted. The Chair of the Committee provided a verbal report on the meeting of 11 November 2010. The Committee had approved the Financial Statements and Accountability Return. The Committee had received a report from internal auditors(KPMG) on Business Continuity Planning. The report had concluded that, whilst the University's ability to respond to incidents was good, they were less assured about ongoing business continuity planning processes, particularly at School/Professional Service level. A new Head of Risk Management had been appointed to take forward these issues and they had been noted on the risk register. The Committee had agreed that this area be reviewed again by internal auditors in 12 months to provide assurances that the recommendations had been implemented and the risk rating reduced.

8.1.1 Risk Register

Members noted the Risk Register. This will be amended to add the specific risk to the University's IP arising from current contractual negotiations.

DVC

8.1.2 Annual Report to the VC and the Board

The Chair of the Audit & Risk Committee recommended the report to the Board for approval. This had been amended to incorporate the risks relating to Business Continuity Planning (as described above) and the ongoing review of the governance of subsidiary companies. The Board approved the report.

8.2 Human Resources Committee (7 October 2010)

Members noted the minutes.

8.3 Nominations Committee (17 September 2010)

The minutes of the meeting were noted. The Board also noted the proposed new process for the nomination of candidates for honorary awards. The new process gave a greater role to Deans and Directors in the consideration of nominations. Board members should continue to submit nominations via the Clerk to the Board.

8.4 Senate (10 November 2010)

The VC provided a verbal report on this meeting. The meeting had followed a revised structure with a focus on a central debate theme. For this meeting the theme had been student experience and had resulted in a lively and engaged debate. The outcomes from this would feed into the work being undertaken on the Student Experience Strategy. For the next Senate meeting in March 2011, a trial system of dealing with

routine business on-line, in advance of the meeting, would be conducted. It was hoped that this would facilitate more active debate at the meeting itself.

8.5 Strategy & Resources Committee (14 October 2010)

The minutes were noted.

8.6 Research & Enterprise Committee (28 October 2010)

The minutes were noted.

9 ANY OTHER BUSINESS

9.1 Mrs Sutherland informed the Board that the University had been selected by HEFCE (along with the University of Sussex) to receive funding to participate in a project to consider the leadership skills required for sustainable development. It was important to achieve wide engagement on this project and a workshop, hosted by an external facilitator, would take place following the January Board meeting. All members were encouraged to attend.

9.2 The Board thanked Mr Frost for his outstanding work for the Board, both as member and Chair.

10 DATE OF NEXT MEETING

A strategic planning seminar will take place at 11.00am on **Thursday, 16 December 2010**, immediately following the Strategy & Resources Committee meeting.

The next full meeting of the Board will take place on **Friday, 28 January 2011**, with a dinner on the evening of Thursday, 27 January 2011.

The Board meeting will be followed by a workshop on leadership skills for sustainable development (details to follow).

Noel DG Richardson
Clerk to the University Board
November 2010

UB-1011-Minutes November 2010 confirmed public