

**UNIVERSITY BOARD****MINUTES OF THE MEETING HELD ON FRIDAY, 4 NOVEMBER 2011**

- Present: Mrs S Sutherland (Chair).  
Mr J Andrews; Dr P Barnwell; Ms M Barron; Prof M Bennett; Mr I Carter; Mr C Elder; Mr J Francis; Mr D Hines; Mr T Horner; Mr T Lee; Ms M Mayer; Prof T McIntyre-Bhatty; Dr P Rawlinson; Mr D Reeve; Mr G Sturdy; Prof J Vinney; Mr D Willey.
- In Attendance: Mr N Richardson (Clerk to the University Board);  
Mr G Rayment (Committee Clerk);  
  
Ms C Cherry (Policy Advisor to the Vice-Chancellor); Mr A James (Students' Union at Bournemouth University, General Manager, Item 3.2); Prof R Palmer (Dean of the Business School, Item 2.1); Ms D Wakely (Legal Services, Items 3.2, 4.5, 4.6 and 4.7).
- Apologies: Mr C Appleton; Mrs J Dawson; Prof C Hallett; Mr R Spragg.

*The Chair welcomed Mr Reeve, Interim Director of Finance, to his first meeting of the Board.*

**Declarations of Interest**

1. Mrs Sutherland informed members that she knew Mr Peter Harvey from his time spent working with a variety of NHS organisations (Item 3.3.3)
2. Mr Willey and Prof McIntyre-Bhatty informed the Board that they were Directors of the University's subsidiary companies, BU Ltd and BU Innovations Ltd (Item 4.6). Mr Willey was also a Director of SEEL and SCILS (Item 4.6)

**1 MINUTES OF THE PREVIOUS MEETING (8 JULY 2011)**

The Minutes were approved as an accurate record.

**1.1 Matters Arising**

- 1.1.1 Student Number Controls (Minute 2.1.2.1)  
Following on from discussions at the Board's Strategic Planning Seminar (13 October 2011), the Vice Chancellor (VC) informed members that work was ongoing to develop a new model of partnership working with Further Education Colleges. [Confidential]
- 1.1.2 Other matters arising were dealt with under the main agenda items below.

**2 STRATEGIC MATTERS****2.1 The Business School**

- 2.1.1 The DVC (TMB) introduced his paper setting out the context and history of the Business School's development since 2007/8 and its revised mission. The paper also identified the key risks in moving forward, namely those involving staffing, shape, leadership and mission. The paper summarised the control measures being introduced to mitigate these risks.

- 2.1.2 The Dean of the Business School then gave a short presentation to the Board on areas of particular interest. He highlighted the staff and leadership challenges which he had identified on taking up the role of Dean. The School was still operating below full complement of staff and was undertaking a review of the leadership structure. Frequent senior management changes in recent years had also had an impact on staff morale. He then went on to summarise the different models of Business Schools which had evolved within the sector. These can be loosely categorised as those which provided MBAs and executive education; MBAs and research; the emerging 'big brands' which provided all relevant services and had a global spread; and the 'mass market' model comprising both undergraduate and postgraduate volumes (Bournemouth University currently fits into this latter model, with a focus on education and a growing research profile). Whilst there were approximately 160 business schools in the UK, those based in Russell Group Universities attracted the majority of the research funding.
- 2.1.3 The Business School's current activities broadly comprised stabilising and rationalising the existing structure; undertaking a management realignment; recruiting to strength; and reviewing the School's academic portfolio. Recruitment to some management posts was proving challenging and work was being undertaken with the EDoOD to address this, for example through targeted 'head-hunting'.
- 2.1.4 In moving forward, planned future actions would include further improving the management of staff workloads; professional development of staff; and continuing work to achieve accreditations (although it was noted that additional management resource was required to drive this forward effectively). Teaching activity continued to comprise the main income stream for the School. Research activity was showing some encouraging improvements but further work was needed to encourage a genuine research culture. On enterprise, the School was well placed to facilitate knowledge exchange and the Executive Business Centre (including the Dominic Marrocco Centre for Entrepreneurship) had the potential to act as a regional hub for this activity.
- 2.1.5 Members asked about the student experience within the Business School and Prof Palmer explained that student feedback was at least 'satisfactory' and very positive in respect of placements. The SUBU President had received feedback, however, indicating that the previous staff changes within the School had been perceived negatively by students, who had also picked up on the staff morale issues. The Academic Staff Representative supported this observation. Prof Palmer accepted that the rationale for the School's previous strategy may not have been clearly communicated. He said it was important that the staff felt valued and that the right type of managers be recruited to take the School forward.
- 2.1.7 Members discussed the current status of the University's MBA provision and Prof Palmer explained that most MBA provision across the sector tended to generate relatively little income, but did create reputational gains for the institutions. The MBA market had been adversely effected by the economic downturn. Discussions were taking place with the Marketing & Communications team with a view to employing a specialist MBA marketing service.
- 2.1.8 Members discussed the revised mission statement for the Business School as set out in the paper. This was informed by the BU 2018 Vision and extensive consultation within the School. The Board debated whether the statement was realistic and achievable within the current climate, particularly in terms of the international context within an increasingly competitive environment. Prof Palmer explained that the School was already international in its scope and the DVC(TMB) added that realism and pragmatism had been employed in setting the School's current aspirations.
- 2.1.9 The Board thanked Prof Palmer for his presentation and welcomed the new direction being taken. They supported the new approach and acknowledged the importance of addressing staffing and recruitment issues in moving forward. It was agreed that a further update on progress would be presented to the Finance & Resources (F&R) Committee on 16 December 2011, with a further summary report to the Board on 27 January 2012. Prof Palmer extended an open invitation to any Board members who would like to visit the School and discuss the developments in further detail.

**ACTION 1:**

Present an update on developments within the Business School to the Finance & Resources Committee on 16 December, and the full Board on 27 January.

**ACTION BY: DVC(TMB)/Prof Palmer**

## 2.2 Estates Strategy Update

### 2.2.1 Site Acquisition in Lansdowne

2.2.1.1 The DVC(DW) informed the Board that the Estates Strategy was currently being refreshed and would be presented to the January Board for consideration. It was possible that there would be some change of emphasis but the broad outline of the strategy would remain unchanged – i.e. based on two campuses, the provision of high quality student accommodation and an estate that impacts positively on the student experience and environmental sustainability. In the meantime, there was an urgent requirement to address the issue of Bournemouth House (Lansdowne Campus) which had come to the end of its useful life, and Cranborne House (student accommodation) which was in urgent need of refurbishment. Proposals setting out options for a new site acquisition were set out in the paper which had been considered by the F&R Committee who recommended it to the Board.

2.2.1.2 [Confidential]

2.2.1.3 [Confidential]

2.2.1.4 [Confidential]

### 2.2.2 Dorchester House

2.2.2.1 The DVC(DW) presented this paper which sought the Board's approval to purchase a lease on Dorchester House (Lansdowne) in order to provide accommodation for students vacating Cranborne House during its refurbishment and to provide replacement accommodation for Hurn House, which was coming to the end of its life and was expected to close in Summer 2012. Proposals on these measures were due to be presented to the Board in January. In the event that it was decided not to close Hurn House or proceed with the refurbishment of Cranborne House, there would still be sufficient demand to fill the 589 student spaces provided by Dorchester House. The cost of the 7 year lease was expected to be [Confidential].

2.2.2.2 Members supported the proposals which would contribute towards improvements to the student experience and go some way toward addressing the current shortage of student residential accommodation. The DVC(DW) confirmed that the University bore the risk in the unlikely event that the beds remained unfilled (i.e. student rents, once fixed, would not be increased to cover any shortfall in rental income).

2.2.2.3 The Board approved the recommendation that the University Executive Team (UET) negotiate a 7 year lease on Dorchester House up to a maximum of [Confidential] per annum, but encouraged robust negotiations to maximise value. The Board noted the short window of opportunity to complete negotiations and authorised Chair's Action should a commitment be required before the January Board meeting.

**ACTION 1:**

Proceed with negotiations on Lansdowne site acquisition [confidential] as above.

**ACTION BY: UET**

**ACTION 2:**

Proceed with negotiations on the lease of Dorchester House (as above).

**ACTION BY: Estates Group**

## 2.3 Strategic Planning Headlines

- 2.3.1 The VC presented this paper setting out the strategic planning headlines identified to deliver the BU 2018 Vision. The paper took account of the discussion which took place at the Board's Strategic Planning seminar on 13 October 2011 and provided further detailed consideration of the options for the future size and shape of the University. Three options were presented:
1. *Shrink student numbers and narrow the University's academic footprint;*
  2. *Maintain a broad footprint and maintain student numbers; or*
  3. *Maintain a broad footprint and grow student numbers.*
- The UET sought the Board's endorsement of the direction of travel and made a strong recommendation for option 2 (above). Option 1 would not provide scope to maintain a broad academic footprint, whereas option 3 was high risk and unlikely to be achievable in the current situation. Further detailed consideration of each option was provided in the paper. The paper also contained some indicative KPIs, although these were very much work in progress and would be presented to the Board for more detailed consideration at a later stage.
- 2.3.2 Members welcomed the additional data provided in the paper and broadly supported option 2. They emphasised, however, the need to maintain flexibility and ensure an adequate range of contingency plans and risk mitigation were in place. They also stressed the need to identify the critical mass in areas of enduring academic strength below which numbers could not shrink if the University was to remain viable.
- 2.3.3 The VC drew attention to the diagram on page 28 of the paper which articulated the emerging thinking on the core academic base. Members debated the emergence of Creative Art & Design subjects which were identified as a strong area of potential growth. The best means of exploiting this opportunity would be through collaboration with an established provider, although the University could expand this provision itself with sufficient investment. This was already an area of strength for some of the University's programmes (computer animation for example) and it was noted that there were some subjects, such as photography, where there was little local provision.
- 2.3.4 In conclusion, the Board broadly supported option 2 and the overall direction of travel. No formal decision was made regarding Creative Art & Design but the Board supported moves to build collaborative partnerships. It was agreed to discuss the Financial Analysis (appendix 2 of the paper) in further detail at the 16 December 2011 meeting of the F&R Committee.

**ACTION:**

Place the Financial Analysis on the agenda for the next meeting of the F&R Committee.

**ACTION BY: Clerk**

## 3 STANDING REPORTS

### 3.1 VC's Report

#### 3.1.1 BU Update

The VC presented this report which was noted by the Board. He drew attention to the forthcoming exhibition of works by Dame Elisabeth Frink alongside other artists. He informed members that the planned visit of the Rt Hon David Willetts MP would not now take place on 25 November 2011. It was hoped that the visit would be rescheduled for a future date. Work was also progressing to recruit an Executive Director of Finance & Performance, with selection interviews expected to take place on 22/23 November 2011.

#### 3.1.2 National Student Survey Results

- 3.1.2.1 The DVC(TMB) presented this report setting out the University's corporate response to the NSS results. It also set out the action being taken to address the resulting

reputational and recruitment risks. The results reflected the responses from 2007/8 and 2008/9 new entrants, surveyed in the final year of their programme of study (January 2011). The methodology for the 2011 NSS had, for the first time, included a benchmark figure of 81% 'satisfied' or 'very satisfied'. The high benchmark reflected adjustments to take account of the student demographic and the University's relatively younger, full-time, UK students (who traditionally score higher than mature, part-time and overseas students). The disappointing results had not been fully anticipated as there was a lack of lead indicators to suggest the outcome would be so poor.

3.1.2.2 Analysis of the data showed that 'organisation & management' and 'assessment & feedback' were the areas causing most dissatisfaction. These areas, therefore, had been prioritised in the corporate response. It was important that students understood how to complete the survey and what the different categories are intended to reflect (but without attempting to 'coach' them in any way or influence their responses). The DVC(TMB) highlighted the work being undertaken with Marketing & Communications to address the potential risks arising from the results. Work being undertaken on the development of International Preparatory Programmes would also help to address this.

3.1.2.3 The Academic Staff representative raised concerns that the '100 Day Plan' response to the results was creating additional pressure on staff. The DVC(TMB) pointed out that the plans had been drawn up in close consultation with Schools and Professional Services. The EDoOD offered to discuss any detailed concerns regarding occupational health outside the meeting.

### 3.1.3 Vision & Values Launch and Communication

The Board noted this report and the fact that the proposals for the external launch of the Vision and Values were in the process of being reviewed following the postponement of the visit by David Willetts MP. Members would be informed of the new date for the launch in due course.

## 3.2 **Students' Union Bournemouth University (SUBU)**

### 3.2.1 SUBU Update

The SUBU President presented this report which was noted by the Board. SUBU were working with students to gather further information on their perceptions of 'organisation & management' (as categorised in the NSS) and ongoing feedback on the student experience. The new SU VP Lansdowne representative was now providing feedback from the Lansdowne students and it was clear that there were issues which needed to be addressed. It was hoped that the estates developments would help resolve these. Work was progressing on the 'pride in BU' theme for the BUnique Week with the aim of embedding a sense of community for students. Some concerns were expressed regarding the introduction of the Common Academic Structure (CAS) and the need to ensure that this did not have a negative impact on student experience. The DVC (TMB) agreed that careful timing and effective communication were vital to the success of the CAS implementation. This was currently being developed by a working group which would report to the Academic Standards Committee and, on major projects, to the Education & Student Experience Committee.

### 3.2.2 SUBU Constitution

Following the presentation at the previous Board meeting, work had progressed on finalising the revised SUBU Constitution. The resulting draft had been considered and recommended to the Board by the Audit, Risk & Governance Committee (subject to some minor amendments which had now been incorporated). The Board noted the separate legal advice provided by Ms Wakely, as requested by Members at the previous meeting. She confirmed that the Constitution could be recommended to the Board for approval. The SUBU Bye-Laws, which accompanied the constitution and provided details of the operational aspects, would be presented to the Board in January. The Constitution was approved by the Board.

### 3.2.3 Education Act Code of Practice

The Clerk explained that the NUS/CUC guidance on Students' Unions relationship with Governors had highlighted the requirement for the University to have a Code of Practice

setting out how the provisions of the Education Act 1994 (s.22) in respect of Students' Unions were to be implemented. It was noted, however, that despite the absence of the Code, the provisions of the Act and the spirit of the legislation had been observed. A draft Code of Practice was now presented to the Board for approval in order to address this gap. The draft had been considered by the Audit, Risk & Governance Committee and was recommended for approval, subject to some minor changes which had now been incorporated into the draft. It was proposed that the document would be reviewed on an annual basis in future. The Relationship Agreement, also recommended in the NUS/CUC guidance, was in the early stages of discussion, and it was hoped to present this to the Board in January 2012. The Board approved the Code of Practice.

### **3.3 Chair's Reports**

#### **3.3.1 Chair's Action and Use of the University Seal**

Members noted this report and briefly discussed the ongoing work to procure a biomass boiler. They highlighted the need to have a secure contract for the provision of fuel and the DVC(DW) confirmed that negotiations with possible suppliers were taking place.

### 3.3.2 Membership

Members noted the paper and the Chair also confirmed that the previous Executive Director of Finance (Ms Everett) had resigned. The Professional Services Staff Representative, Mr Elder, was stepping down, having served two terms.

*Ms Barron withdrew from the meeting.*

The Chair explained that a nomination process and ballot had taken place to elect a new member of Professional Services Staff to serve on the Board. The ballot was won by Ms Barron, who would step down as the Senate Representative to the Board in order to take up this position. The Board approved the appointment of Ms Barron.

*Ms Barron rejoined the meeting and was informed of the Board's decision.*

The Chair updated the members on progress with the recruitment of new Independent Board Members to fill the 4 vacancies which currently existed. Six candidates had been shortlisted and the Chair, Deputy Chair and VC would be meeting with them over the coming weeks. The Board gave its approval for the Chair to make up to 4 appointments from the shortlisted candidates, if it was felt that they met the criteria. The candidates broadly met the skills gaps previously identified, although it was recognised that further recruitment activity may be required to find a candidate with relevant, current accountancy skills. It was also recognised that entrepreneurial skills would be helpful to the Board.

### 3.3.3 Appointment of Pro Chancellor

The Chair presented this paper and sought the Board's approval to appoint Mr Peter Harvey as a Pro Chancellor. The VC stated that he had also met with Mr Harvey and fully supported the recommendation. The Board approved the appointment.

### 3.3.4 Any Other Matters

Members noted the list of upcoming events produced by the Events & Conferences team. It was agreed that the Clerk would work with them to refine the format of this report, so that the events listed were only those where attendance by a Board Member would be appropriate.

<b>ACTION:</b>
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Work with M&C to review the list of upcoming events.
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<b>ACTION BY: Clerk</b>
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## **4 OPERATIONAL REPORTS AND PROJECT UPDATES**

### **4.1 Hotel School**

[Confidential]

### **4.2 Financial Statement 2010/11 and Subsidiary Company Accounts**

Mr Reeve presented the Financial Statements of the University for the year ending July 2011. These had been considered in detail by the Audit, Risk & Governance Committee and were recommended to the Board. The Board approved the financial statements and noted the accompanying financial statements of the subsidiary companies.

### **4.3 Annual Accountability Return**

4.3.1 Mr Reeve presented the annual accountability return which had also been considered by the Audit, Risk & Governance Committee and recommended to the Board. A paper was tabled providing the additional data on liquidity and student numbers. The return included the annual report on value for money (VfM) which had been amended in

accordance with comments from the Audit, Risk & Governance Committee. The Internal Auditors had confirmed that the report was fit for purpose, though the Committee would give further consideration to improving it for future years, to reflect HEFCE's preferred approach to VfM. Mr Lee highlighted the draft management representation letter included in the Annual Report of the External Auditors. This had to be signed on behalf of the Board and members were asked to note the content, which was standard within the sector and reflected the wording used in previous years.

4.3.2 The Annual Accountability Return was approved by the Board.

#### **4.4 Annual Report of the Audit, Risk & Governance Committee (ARG)**

4.4.1 Mr Lee presented this report to the Board and explained that it was also submitted to HEFCE as part of the annual accountability return. The Chair noted that Mr Lee was stepping down as Chair of Audit, Risk & Governance Committee following his appointment as Deputy Chair of the Board, and that Mr Spragg would take on the role of Chair of that Committee. The Chair thanked Mr Lee for his work on the Committee and welcomed the work undertaken over the past year as set out in the report. The Committee's Annual Report was approved by the Board.

#### **4.5 Review of the Establishment, Operation and Termination of Widget Co.**

The EDoOD introduced this report which updated members on the actions taken to implement the recommendations of the Mills & Reeve Review of Widget Co. (previously circulated). Most of the recommendations had been actioned through the Related Companies Project (see below). The consideration of the recommendation to review the role of the Clerk to the Board was still ongoing and proposals would be presented to the January meeting of the Board.

**ACTION:**

Present proposals regarding the role of the Clerk to the Board to the January meeting of the Board.

**ACTION BY: EDoOD**

#### **4.6 Review of Governance Arrangements for Subsidiary Companies**

The EDoOD presented this report which had been considered by both the Audit, Risk & Governance and F&R Committees. The liquidation of subsidiary companies SEEL and SCILS was progressing to plan and the audit of other subsidiaries had been completed, with all recommendations having been accepted by the subsidiaries' boards. A further report would be made to the January Board meeting on the implementation of these recommendations.

##### **4.6.1 Policy & Procedures for Related Companies**

The EDoOD presented the draft Policy & Procedures for Related Companies, which was recommended to the Board by both the Audit, Risk & Governance and F&R Committees. The Policy was approved by the Board.

#### **4.7 Changes to Financial Regulations**

4.7.1 The DVC(DW) presented the draft amended Financial Regulations which were recommended to the Board by the Audit, Risk & Governance and F&R Committees. Further revisions would be considered once the new Executive Director of Finance & Performance was appointed but it was agreed that it would be pragmatic to undertake some amendments now in order to reflect changing roles and structures. Ms Wakely highlighted the fuller explanation of Board signatories which had been added to the Financial Authority Limits. The Board approved the amended Financial Regulations.

#### **4.8 Review of Carbon Management Plan**



The DVC(DW) presented this update report and sought the Board's approval to present a revised Carbon Management Plan for approval to the January Board meeting, via the F&R Committee. This was approved by the Board.

#### **4.9 Report from the Change Management Board**

The DVC(DW) presented this update report which was noted by the Board. He highlighted the proposals for a project to undertake a major refresh of the Poole House courtyard area. Further details of this project would be presented to F&R Committee and the January Board meeting for approval.

#### **4.10 Performance Review for 2010/11**

The DVC(DW) presented the report of progress against KPIs for 2010/11 for information and noted that the KPIs were subject to review as part of the ongoing development of a new strategy in line with the BU2018 vision. Members noted the report.

#### **4.11 Report of Review of BU Foundation**

The DVC(DW) presented this report for the information of the Board, which set out the outcomes from the Review of the BU Foundation undertaken by consultants 'More'. The Board of the BU Foundation had accepted the recommendations of the report which would be implemented over the coming months. Members discussed the timing of the recruitment of a Development Director and Major Gift Manager and the DVC(DW) explained that it was hoped to make these appointments by early 2012. Members stressed the importance of making progress quickly and encouraged a fast pace in taking forward the implementation of the report.

### **5 COMMITTEE REPORTS**

#### **5.1 Audit & Risk Committee (30 September and 21 October 2011)**

The minutes of the meeting were noted and all recommendations had been approved (see main agenda items above).

##### **5.1.1 Risk Register**

The Board noted the risk register.

#### **5.2 Finance & Resources Committee (13 October 2011)**

The minutes of the meeting were noted.

##### **5.2.1 Management Accounts for 2010/11**

The Management Accounts were noted.

##### **5.2.2 Ethical Investment Policy**

Mr Reeve presented this report which recommended that the Ethical Investment Policy remain unchanged, having been reviewed and found fit for purpose. The Board approved the policy.

#### **5.3 Enterprise & Commercialisation Task & Finish Group (13 July, 9 September and 7 October 2011)**

The minutes were noted and Mr Barnwell informed the Board that the final report of the Group would be presented to the Board at its meeting in January.

#### **5.4 Senate (2 November 2011)**

The VC gave a short verbal report of this meeting, which had focussed on a debate on the emerging 'BU Promise' proposals.

##### **5.4.1 Changes to Senate Membership**

The VC presented this paper which proposed changes to the Senate membership, replacing the current Professorial Observers, with nominated Professorial Members

from each School. It also set out the proposed Board representation on Senate Sub-committees following a review of the Senate committee structure. Both changes were approved by the Board.

**5.5 Research Ethics Committee (5 October 2011)**

Prof Bennett explained that he had been in discussions with the Committee Chair regarding revising the remit of the Committee to include a greater auditing role in respect of research ethics in Schools. Further work on this would be undertaken over the coming months in discussion with the Committee members.

**5.6 Research and Enterprise Committee (19 October 2011)**

The minutes were noted.

**5.7 Remuneration Committee (7 July 2011)**

The minutes were noted.

**6 ANY OTHER BUSINESS**

6.1 Mr Reeve sought the Board's agreement to add the VC and DVC(DW) to the banking mandate as signatories. This was approved.

6.2 The EDoOD informed members that UNISON had balloted in favour of strike action. This was expected to take place on 30 November, but this would not be confirmed until 23 November. The University currently had approximately 130 members of staff who were UNISON members. It was agreed to e-mail Board members with further information once it was available, together with information on the likely impact and action being taken to address it.

**ACTION:**  
E-mail Board members information on potential strike action.

**ACTION BY: EDoOD**

**7 DATE OF NEXT MEETING**

The next meeting of the Board will take place on **Friday, 27 January 2012**, preceded by a dinner on the evening of **Thursday, 26 January 2012**.

Noel DG Richardson  
Clerk to the University Board  
November 2011

Geoff Rayment  
Committee Clerk  
UB-1112-1-Minutes\_4\_November\_2011

Approved as a true and accurate record:

Mrs S Sutherland (Chair)..... Date:.....27 January 2011.....