

Board of Governors

Minutes of the eighty-eighth meeting of the Board of Governors, held on Thursday 21st November 2013 at 5pm in SC Conference Centre, Telford Campus.

Present:

| | |
|--|------------------------------------|
| Mr Michael Elliott (Chair) | Professor Geoff Layer |
| Ms Kathy Gee MBE (Deputy Chair) | Rev Eddie Wynn MBE |
| Dr Simon Walford (Deputy Chair) | Mr Ben Reid OBE |
| Dr Aidan Byrne | Ms Gabriela Steinke |
| Ms Zoe Harrison | Mr Simeon Chandra |
| Professor Martin Chambers - from item 1402 | Ms Kate Copestake – from item 1402 |
| Mr Ian Hyde – from item 1402 | |

In attendance:

Mrs Helen Lloyd Wildman, University Registrar and Secretary (Clerk)
Ms Amanvir Chana, External Audit, KPMG – until item 1412
Mr Andy Holding, Finance Director
Ms Jane Nelson, Deputy Vice-Chancellor, Access and Lifelong Learning
Ms A Holmes, Deputy Vice Chancellor, Academic
Professor Nduka Nnamdi Ekere, Dean of Faculty of Science & Engineering – until item 1403

Apologies:

| | |
|-----------------|--------------------------|
| Mr Stewart Towe | Cllr Kuldip Singh Sahota |
| Dr John Pymm | Dr Josh Johnson |
| Mr Mike Priddy | Ms Carole Burgher |

Administrator:

Miss Gemma Towns, Assistant Clerk to the Board

1401 Welcome and apologies

The Chair welcomed Rev Eddie Wynn, Dr Aidan Byrne, Mr Simeon Chandra, Ms Zoe Harrison, to the meeting. The Chair welcomed Ms Gabriela Steinke and Dr John Pymm to membership of the Board.

Apologies had been received from Mr Stewart Towe, Mr John Pymm, Mr Mike Priddy, Councillor Kuldip Singh Sahota, Ms Carole Burgher, Dr Josh Johnson and Professor Ian Oakes.

The Chair advised that at that point in the meeting the Board was one member short of quorum so Professor Ekere's presentation would be given first to allow other Governors

to arrive. The Chair noted the low attendance at the meeting from independent and co-opted members and stated governors needed to accept the seriousness of their responsibility as Board members. He asked Governors to ensure that the three annual board meetings were given the highest of priority in their diaries and requested his comments were minuted.

1402 Presentation from Professor Nduka Nnamdi Ekere, Dean of Faculty of Science & Engineering (FSE)

Professor Ekere delivered his presentation.

Professor Martin Chambers, Mr Ian Hyde and Ms Kate Copestake arrived, ensuring the meeting was quorate.

Mr Reid asked if the FSE structure was modelled on a structure from another institution. Professor Ekere advised there were a number of similar structure across the sector but the key for FSE had been to bring disciplines together and create new opportunities. Professor Layer added that locally there had been little opportunity for students who had wanted to study traditional science subjects and this had been the key driver behind FSE. Mr Hyde asked what challenges FSE had encountered; Professor Ekere felt most challenges were generic such as changes in funding across the sector but advised one particular success had been the merger between two departments who were working well together. Ms Copestake asked if it was the case that every FSE graduate was fit for employment now or whether would this be in some years' time. Professor Ekere advised it was the case at present but continuous improvement was sought. Dr Walford asked what would be Professor Ekere's priority; he felt sustainable degree courses with good students would be desirable as this would in turn raise aspirations.

The Chair thanked Professor Ekere for his presentation.

1403 Declaration of interests

As the meeting was now quorate, the Chair asked if members present had any interests to declare. Professor Chambers declared an interest in Item 1405 as he was seeking re-appointment to the Board.

The Chair advised there was a confidential item which would be discussed at the end of the meeting; due to the nature of the business this item would be reserved to the independent governors for discussion and the staff and student governors would be asked to leave at the close of the Board meeting.

1404 Minutes of the previous meetings and matters arising

Meeting held on 4th July 2013: Ms Kate Copestake advised she had been listed as present but had sent apologies. **Subject to this amendment, the minutes were agreed as a true record.**

Away Day, 27th September 2013: Mr Hyde advised he had been listed as present but had sent apologies. **Subject to this amendment, the minutes were agreed as a true record.**

Ms Gee asked what would happen after the Away Day and asked how the feedback would be actioned. Professor Layer advised some of the feedback had been relayed to Academic Board and some of the feedback would be returned to Board of Governor meetings in due course.

1405 Membership

- (a) The Board approved the recommendations of Nominations Committee held on 26th September 2013:
- (i) **It was resolved that Cllr Kuldip Singh Sahota's membership was changed from independent governor to co-opted governor.** His term of office remained unchanged.
 - (ii) **It was resolved that the membership category of Ms Carole Burgher and Professor Martin Chambers was changed from co-opted to independent governor.** Their terms of office remained unchanged.
 - (iii) **It was resolved that Professor Martin Chambers be re-appointed as an Independent member for a three year term of office, effective until 31st November 2016 and also re-appointed to membership of the Finance and General Purpose Committee.**
- (b) **It was resolved that a determination of 21 members be made.**
- (c) **It was resolved that Dr John Pymm be appointed as the Academic Board Nominee Governor for a period of one year, effective until 31st July 2014.**
- (d) **It was resolved that Ms Gabriela Steinke be appointed as the Academic Board Nominee Governor for a period of one year, effective until 31st July 2014.**
- (e) **The Board noted the Chair's action of 26th September 2013 appointing Councillor Kuldip Singh Sahota as Chair of Audit Committee, effective from 26th September 2013 until 31st July 2015.**
- (f) **It was resolved that Ms Paula Clark be appointed as an independent member for a three year term of office, effective until 31st November 2016 and also appointed to membership of the Audit Committee.**

1406 Students' Union Report

Mr Chandra advised the Students' Union had continued to provide a high level of impartial and independent advice for students and had made changes to the Student Voice system in line with the University's change to Faculties. The autumn elections had been extremely successful with 1,600 votes cast. Mr Chandra advised a new Chief

Executive, Ann Gough, had been appointed and was in post. The Students' Union had enjoyed a successful welcome week with events on all campuses. The Student Voice for TNE students was being developed. The Students' Union were also raising awareness for student societies and encouraging students to participate. A new marketing and communications team had also been established.

Mr Reid asked how students voted in the elections and what the target number of votes had been. Mr Chandra advised marketing had been displayed over campuses and students at Burton campus had been able to vote online. Ms Harrison advised the target for the autumn elections had been 1,000 votes as autumn traditionally attracted a lower voter turnout but they had exceeded this target considerably.

The Chair asked if the Students' Union had identified any key issues which had arisen at the start of the new academic year. Ms Nelson advised the majority of business tended to focus on individual cases with no general theme for the University.

Dr Byrne asked if the Student Charter had proven meaningful. Ms Harrison advised a number of students had not been aware of it so the Students' Union had selected five of the key charter points to promote across the University. Dr Byrne asked if the expectation on students should also be promoted; Ms Harrison acknowledged it could be. Ms Gee suggested the Student Charter should also be promoted to teaching staff.

The report was noted and received for information.

1407 Students' Union Accounts

Mr Chandra advised that the Students' Union accounts had been considered and recommended for approval by Finance and General Purpose Committee on 7th November 2013. Mr Chandra advised the Students' Union were happy with the accounts. Mr Chandra advised the surplus in the accounts was due to vacancies not being filled, for example, the departure and joining of a new Chief Executive, but this surplus money had been allocated to spend at Telford and Walsall campuses.

The Chair commented that the presentation of the accounts had greatly improved. Professor Chambers enquired what the move of £35k from restricted to unrestricted funds had been for and asked if this would require Board approval; Mr Holding agreed to look into this (**action: AH**).

Dr Byrne asked if the Students' Union were happy with the size of the budget. Mr Chandra advised the Students' Union were looking to improve the services for students and this may require more funding in future. Mr Holding advised that in terms of budget control, the University had a flat non-pay budget for some time. It was recognised in setting a budget for the Students' Union that there was some increase in running costs but during periods of restraint, this saving would need to be passed on to the Students' Union. Ms Nelson advised the Students' Union would like to increase their budget but also reduce reliance upon the University. Ms Gough, the new Chief Executive, had experience of this and would be looking to increase income from other areas.

It was resolved that the Students' Union accounts for the year ended 31 July 2013 be received and approved.

1408 Vice-Chancellor's Report

Professor Layer highlighted the following areas of his report:

Student recruitment: It was expected the University would recruit to target in 2013/14. This had been a successful period of recruitment for the University.

NSS scores: Professor Layer advised the upward trend had been encouraging but may be hard to maintain due to the scale of building work on campus.

Employment data: Professor Layer reported nine out of ten graduates were in employment/training within six months of graduation.

Capital projects: Professor Layer reported building works were ongoing and were on schedule. Planning permission had been granted for the new Business School building.

Faculty structure: Deans and Associate Deans would shortly be assuming their posts. The new Faculty structure would be effective from 1st January 2014.

Research Excellence Framework (REF) submission: Professor Layer advised the University's REF was due to be submitted. It was anticipated that whilst the University may have a better research quality outcome, funding was more likely to be distributed to the larger research intensive institutions. The outcome of the REF would be known in January 2015.

UK Centre of Excellence for Judo: Professor Layer reported the centre had opened at Walsall Campus on 12th November 2013. This had brought jobs to Walsall and raised the profile of sport at the Walsall Campus and the University.

Teacher Training: Professor Layer advised teacher training would be changing to school-led teacher training where places would be taken from the University and re-distributed to schools. This was a significant change for the University and would have funding implications. There had also been changes to the criteria OFSTED used for deeming institutions to be outstanding. The University was exploring further options in this area.

Rev Wynn asked how the staff voice meetings were developing; Professor Layer advised one meeting had been held so far to discuss enhancing the reputation of the University and this helped to identify key issues in this area for staff.

The Chair congratulated the Vice-Chancellor on the recent achievements of the University.

The report was received for information.

1409 Grievance policy

Professor Layer advised that due to time constraints, the paper had not been ready for Finance and General Purpose Committee on 7th November 2013. Professor Layer asked the Board to approve the revised policy. The Chair commented on the improved layout of the policy.

It was resolved that the grievance policy be approved.

1410 Audit Committee annual report

Mrs Lloyd Wildman advised that each year the Audit Committee submitted an annual report on the committee's work addressed to the Board of Governors and the Vice-Chancellor as the Accountable Officer. Mrs Lloyd Wildman advised that the Internal Auditors, PwC, had flagged up two areas of concern, which had been addressed in the Audit Committee Annual Report. The first related to UKBA compliance where immediate remedial action had been put in place. A further audit had been undertaken the previous week and Internal Audit would also undertake a further audit each semester to ensure the data was correct. The second concern related to IT project governance which PwC deemed not to be as developed as it should be. This had been reported to the October Audit Sub-committee meeting and November Audit Committee meeting. Audit Committee was satisfied that the University was dealing appropriately with these issues.

The Chair asked if an amendment could be made at the bottom of page 3 to reflect the view of governors at Audit Committee, rather than "the Governors" to avoid confusion with the governing body (**action: HLW**).

Dr Walford commented on the IT Project Governance report and stated comparatively the University's estates projects were well managed and was surprised this practice was not mirrored across the University. Dr Walford asked if training would be brought in to assist the IT department. Mrs Lloyd Wildman confirmed this matter was being addressed in-house.

Ms Copestake clarified that a proposed informal meeting between herself, Cllr Sahota and Mr Priddy had been planned to consider the report as both members were new to the Audit Committee. However, this meeting had subsequently been cancelled and had not been held.

It was resolved that subject to the minor amendment, the Audit Committee Annual Report be approved and submitted to HEFCE.

The Chair thanked Audit Committee for their hard work over the last academic year.

1411 Accounts 2012/13

Mr Holding advised that there had been a small amendment to the accounts as a decision had been made not to consolidate Education Central Multi Academy Trust. This change was reflected on page 57, paragraph 35 of the accounts

Mr Holding advised that the trading surplus for the previous year had been slightly distorted due to the release of University Modernisation Funds and asked Governors to bear this in mind when comparing the accounts, year on year. Mr Holding advised the underlying position for 2012/13 had been good although a trend was emerging where income was flat but the accounts were healthy due to controlled costs. Mr Holding advised this may be a concern in future years.

Mr Holding stated there were some differences in the outturn surpluses as HEIF funding was decided after the quarter 3 forecast had been prepared. FRS17 was also very difficult to calculate. Mr Holding advised that faculties and departments had been asked to be mindful of spending on non-pay budgets; this would need to be looked at in future. Mr Hyde asked if some of the savings made would be permanent savings; Mr Holding advised that the recent restructure from Schools to Faculties had resulted in fewer Deans which would be a permanent saving. However, Mr Holding noted that the pay increase for the last four years had been below inflation. Mr Hyde asked if this was unsustainable in the long-term, Mr Holding identified there was a need for income generating activities to be undertaken.

It was resolved that the consolidated report and the financial statements for the year ended 31 July 2013 be approved and submitted to HEFCE.

1412 KPMG Audit Highlights Memorandum and Management Letter

Ms Chana advised the main issues were contained on Page 15 of the report. There had been some discussion with the University over the non-consolidation of Education Central Multi Academy Trust. The Chair asked if there had been any delays over the pension auto-enrolment date; Mr Holding advised the University had elected to join at the later date for auto-enrolment and there was a good working relationship between the Finance and HR Departments to achieve this. The Board discussed the follow up of the previous year's recommendations on Page 17 of the report. Mr Holding advised these recommendations had been discussed at Audit Committee on 4th November 2013 and the Audit Committee had been satisfied with the recommendations.

It was resolved that the KPMG Audit Highlights Memorandum and Management Letter be approved and submitted to HEFCE.

With reference to Appendix 2 of the report, pensions considerations, Mr Holding provided an update on the pensions fund following his attendance at a meeting with the West Midlands Pension Fund on 20th November 2013.

1413 Key Performance Indicators

Mrs Lloyd Wildman advised the Key Performance Indicators (KPIs) had been considered at the relevant sub-committees and the Chair confirmed Finance & General Purpose Committee had also considered the KPIs at their meeting on 7th November 2013. Mrs Lloyd-Wildman advised that the KPIs requiring approval by the Board were:

- KPI 3 – Generate a 5% operating surplus against turnover. Maintain a net liquidity of 90 days;
- KPI 4 – Improved student survey scores;
- KPI 5 – Improved employment levels of University of Wolverhampton graduates;
- KPI 9.1 – To reduce our reliance on HEFCE income by increasing the % turnover to non HEFCE and student fees income;
- KPI 9.2 – To increase non-HEFCE income from research, consultancy and business engagement activities.

It was resolved that Key Performance Indicators 3, 4, 5, 9.1 and 9.2 be approved.

Mrs Lloyd Wildman highlighted the change in wording to KPI 9.1 and 9.2 which had been requested by Governors and advised that this would also require Board approval.

It was resolved that the change in wording for KPIs 9.1 and 9.2 be the approved by the Board.

1414 Annual Sustainability Assurance Report (ASSUR)

Mrs Lloyd Wildman advised the Governors had identified Key Performance Indicators earlier in the year and HEFCE required the Board of Governors to approve and sign off the selection of target values for the financial KPIs and the setting of an acceptable Margin for Sustainability and Investment (MSI).

Mr Holding advised KPIs could be selected for financial health and financial performance (EBITDA). The two proposed financial KPIs had been presented to Finance and General Purpose Committee on 7th November 2013 but the Committee had asked for further evidence to be presented. Mr Holding had suggested some figures to the Board for discussion but clearly stated it was the Board's decision to select the KPIs.

Mr Reid was of the view further time needed to be taken to consider the KPIs and he was unhappy to approve the KPIs without this discussion stating the targets should be set at a reasonable and achievable level as they would have an impact upon the University's accounts. Ms Gee felt the Board should not speculate about the figures and should be guided to some extent, by the University. Dr Walford asked if the University was a financially robust institution and asked how much risk the University was willing to inject into its business.

Mr Holding advised the Board were able to submit the Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and then sign off the KPI once it was agreed. It was agreed the Chair would sign the ASSUR form and the matter would be placed on the next Finance and General Purpose Committee agenda and returned to the March 2014 Board meeting (**action: GT**).

1415 Academic Board reports

Ms Steinke gave a short update on the Academic Board reports. Ms Gee asked what progress had been made with the VLE platform. Professor Holmes advised the possible

change of VLE platforms had been put on hold as it had been identified that work needed to be done on the portal behind which a number of other systems, including VLE, will sit. The work on the portal had begun but it could be up to two years before the work was completed.

The Chair asked if it was possible for the minutes of Academic Board and the Board of Governor sub-committees to be provided to the Board of Governors, rather than reports (**action: HLW**).

It was resolved that the Academic Board report be approved.

1416 Capital programme updates

The report was received and noted for information.

1417 Tuition fees 2014/15

Ms Nelson advised the fee for full time undergraduate students had been agreed earlier in the year. The proposed tuition fees for international students, taught postgraduate courses and part time undergraduate students had an inflationary increase of 2.7% for 2014/15.

It was resolved that an inflationary increase of 2.7% for the tuition fees for international students, taught post graduate courses and part time undergraduate students be approved.

1418 Amendments to Bye-Law 1

It was resolved that the amendments to Bye-Law 1 be approved.

1419 Student accommodation rental proposals 2014/15

Mr Holding advised a slight increase in fees had been suggested. Mr Holding highlighted that at Walsall Campus there appeared to be a price limit above which students were unwilling to go, as when rent had increased previously, this had led to the accommodation being under-occupied.

It was resolved that the increase in rental prices be approved.

1420 Reports from sub-committees

- (a) Nominations Committee, 26th September 2013: The report was noted. **It was resolved that the amended Terms of Reference be approved.**

- (b) Equality & Diversity Committee, 17th October 2013: The report was noted. **It was resolved that the amended Terms of Reference be approved.**
- (c) Audit Committee, 4th November 2013: The report was noted.
- (d) Finance and General Purpose Committee, 26th September 2013: The report was noted. **It was resolved that the amended Terms of Reference be approved.**
- (e) Finance and General Purpose Committee, 7th November 2013: The report was noted.
- (f) Wholly Owned Companies, 7th November 2013: The report was noted.
- (g) University of Wolverhampton Science Park Ltd, 7th November 2013: The report was noted.

1421 Sealing Register

It was resolved that the affixing of the common seal of the corporation to the documents set out at numbers 386-388 of the sealing register be approved by the Board.

1422 Any other business

- (a) HESA Staff Return: Mrs Lloyd Wildman advised that the annual HESA staff return had been submitted to HESA. This return showed the number of staff within each category and highlighted that there are more teaching staff than non-teaching staff in the University. This year the increase in the number of categories (from 10 to 100) made it easier to ensure that as many teaching staff as possible were returned as such. This included Deans and Associate Deans.
- (b) Christmas Carol service: The Annual Christmas Carol Service would be held on 11th December 2013.
- (c) Congregations, Easter 2014: Ceremonies would be held on 16th And 17th April 2014.
- (d) Congregations, Autumn 2014: Governors were asked to note the dates of 2nd to 12th September 2014 for ceremonies; a timetable would follow in due course.

Meeting closed 7:35pm

1423 Confidential Minute

This was attended by the independent governors [*separate confidential minute*].