

Board of Governors

Minutes of the eighty-fifth meeting of the Board of Governors, held on Thursday 22nd November 2012 at 6:00 pm in the Council Room, Wulfruna Street, Wolverhampton.

Present:

Mr M Elliott (Chair)	Professor G Layer
Ms K Gee – from item 1341 onwards	Professor M Chambers
Mr D Batchelor	Dr S Walford
Mr J Sharp	Ms A Kimbley
Dr J Bergin	Ms L Cutting
Mr J Pymm	Dr J Johnson

In attendance:

Professor Sir G Hampton, Deputy Vice-Chancellor External Affairs
Ms J C Nelson, Pro-Vice Chancellor Student Recruitment
Mrs H Lloyd Wildman, The Registrar
Mr A Holding, Finance Director
Professor I Oakes, Pro-Vice Chancellor Research and Enterprise
Mr A W Lee, Secretary to the Board
Mr Paul Deane, KPMG
Ms Claire Shaw, Head of Alumni and Development – until item 1341
Mr Henry Gun-Why, Director of Estates and Facilities – until item 1357

Apologies:

Mr S Towe
Dr B Conway
Cllr K Sahota
Ms K Copestake
Mr I Hyde
Ms C Burgher
Professor A Holmes, Deputy Vice-Chancellor Academic

Administrator:

Miss Gemma Towns, Strategy & Governance Co-ordinator

1335 Welcome and Apologies

The Board welcomed Mr Batchelor to his first meeting as a governor. Mr Paul Deane of KPMG was also welcomed to the meeting.

Apologies were received from Mr S Towe, Dr B Conway, Cllr K Sahota, Ms K Copestake, Mr I Hyde, Ms C Burgher and Professor A Holmes.

The members present confirmed they had no conflict of interest with the items at this meeting.

1336 Minutes of the Board of Governors Meeting, 5th July 2012

The minutes of the meeting held on 5th July 2012 were agreed as a true record.

1337 Matters Arising

- (a) Student Charter: Ms Nelson advised the version presented to the July 2012 meeting had been corrected and published after consultation with Mr Hyde, Ms Burgher and Mr Lee.
- (b) Remuneration Committee: It was noted the first meeting of the Remuneration Committee (subsuming the principal business of the Senior Posts Reviews Committee) was to be held in December. An update would be given to the March 2013 Board of Governors meeting.

1338 Membership and Attendance

- (a) Dr Walford took the Chair for this item and invited the Board to reappoint Mr Elliott as an Independent Governor and Chair of the Board for a period of three years. **It was resolved that Mr Elliott be reappointed as an Independent member and Chair of the Board for a three year term.** The Chair thanked the Board and stated it was a pleasure to continue to hold the office of Chair.
- (b) Mr Elliott took the Chair and invited the Board to reappoint Ms Carole Burgher as a Co-Opted Governor for three years. **It was resolved that Ms Burgher be reappointed as a Co-Opted member for a three year term.**

1339 Terms of Reference

The Chair referred the Board to item 15(h) (minute 1360), the report from Nominations Committee, regarding the proposal of a second Deputy Chair. The Chair suggested it may be beneficial for such an appointment to be made but invited the views of other members. Members were supportive of the proposal and **It was resolved that the office of a second Deputy Chair would be created. An election/appointment would take place at the March 2013 meeting**

Mr Lee advised discussions with Mr Batchelor were ongoing regarding the suggestion of a second student Governor.

The Committee considered the Terms of Reference for the Board of Governors. It was noted amendments would need to be made in due course regarding the appointment of a second deputy chair and the possible creation of office for a second student Governor. These changes would be made when appropriate. **The terms of reference were approved.**

1340 Alumni and Development Activity Presentation

Ms Shaw gave a presentation on the University's plans for alumni and development activity. A copy of her presentation was tabled. A general discussion on fundraising from alumni took place.

1341 Vice Chancellor's Report

The Vice Chancellor highlighted the following areas of his report:

Student Recruitment: The Vice Chancellor reported that the University had recruited to target for full-time Home/EU undergraduates despite the significant increase in tuition fees, and had performed well compared with the sector as a whole. Targets had not yet been reached for other categories of student, and recruitment would continue in semester two. The recruitment position for the sector as a whole would be challenging for 2013/14.

Student Experience: The Vice Chancellor confirmed the University's performance in the National Student Survey had improved. Participation in the survey had increased although the University was still performing below the sector average.

Student Employment: The Vice Chancellor advised the data referred to the 2010/11 cohort of students which demonstrated a decline in graduate employment. The Vice Chancellor highlighted the strategic plan which was focusing on this issue through the Enterprise and Employability sub-strategy. It was noted the impact of this sub-strategy would take time to be reflected in the figures as these related to previous, rather than current academic year graduates.

STEM: The Vice Chancellor advised there had been significant discussions in the two affected schools. Mr Sharp asked if a new Dean had been appointed; the Vice Chancellor advised the leadership of the new school would be discussed with Steph Harris, Director of HR. The proposed name of the new school was: School of Science and Engineering. Ms Gee asked if there were any significant costs involved in the project. The Vice Chancellor stated there were no significant costs as the investment in science labs would continue, although slightly modified due to the new nature of the school. Any new proposals, such as new degree awards, would require a business case in support. Professor Oakes highlighted the role the University could play through the creation of a STEM school in science and manufacturing in the future. The Vice Chancellor stated the University's commitment to widening participation meant all students should have access to science subjects. The Chair asked if the Institute of Sport was a new model for such activities; the Vice Chancellor confirmed this was the case. The University were keen to attract athletes, particularly in elite and disabled sport

as part of the Olympic legacy. Dr Bergin highlighted the importance of managing change effectively throughout the institution.

Research: The Board had previously agreed to invest £6m in research. The initial pool of thirty eight bids had been reduced to fifteen; a portion of those had secured funding. An announcement of the successful bids was imminent. Funding would be for the first year of the project, 75% funding for the second year and 50% funding for the third year. The school would then fund the project thereafter. Professor Oakes gave illustrative examples of research projects. The Chair asked whether there were particular areas of research the University focuses on; Professor Oakes replied that while there was no exclusive concentration of research activity in certain subject areas, the University had two cross school research institutes and twelve research centres across the University which were centres of research excellence. The Vice Chancellor added that the projects needed to show an investment and demonstrate how it would benefit the REF. Dr Walford stated it was important that focusing on other research areas did not unduly affect the research areas the University excelled in. The Vice Chancellor agreed and suggested the newly appointed Dean of Research delivered a presentation at the March Board meeting.

The Committee expressed satisfaction with the format of the report and particularly the inclusion of school reports.

The report was received and noted.

1342 Student Union Accounts and Report

Mr Batchelor thanked the University for their support and investment in the Students' Union to allow them to expand. Mr Batchelor advised the Students' Union was growing with more student staff and more opportunities such as a media outlet. The Students' Union was looking at how to engage with more students and expand to enhance the student experience. Professor Chambers advised the accounts had been discussed at Finance and General Purpose Committee on 8th November 2012 where the issue of a three year funding agreement between the University and Student's Union had been raised. While it was inappropriate for governors to direct the nature of any funding agreement, a dialogue had been encouraged between the two organisations.

The Chair commented on the high quality of the accounts. Mr Batchelor advised the cost of new services and their performance would be monitored. There was a general discussion regarding operating surplus levels for the Students' Union.

Resolved the Students' Union accounts for the year ended 31 July 2012 be received and approved.

1343 Year-end Accounts

Mr Holding advised a significant surplus had been generated for the second year running. The accounts were a good set of results although not as strong as the previous year due to a distortion in comparator which was mostly explained by HEFCE funding

and holdback provision. Income was depressed as a result of reduced funding council contributions.

Mr Holding advised expenditure remained controlled. Payroll was down and FRS17 was flat. Other expenditure had fallen. Liquid cash reserves were down by £7.6m as short term deposits with better interest rates were being used.

Ms Cutting asked what the projected position would be at year end; Mr Holding advised it was difficult to tell after quarter 1 due to future census dates influencing fee income. Quarter 2 results after the census dates would give a more reflective result. Contingencies were in place. The importance of student recruitment and retention was discussed.

Resolved the Consolidated Report and the Financial Statements for the year ended 31 July 2012 be approved and submitted to HEFCE.

1344 Audit Highlights Memorandum and Management Letter

Mr Deane highlighted the following points from his paper:

Risk areas: Inter-company recharges were highlighted as a risk area but it was noted the recommendations would be addressed through the Resource Allocation Model. Project income recognition was noted as an area of medium risk. This was being addressed through the new Commercial Income Generation Management system which would clarify the position. Education Central Multi-Academy Trust was deemed a medium risk and pensions opt-out was deemed to be low risk.

Mr Deane advised there had been good implementation of the previous year's recommendations. It was noted there had been a correction to the accounting of the sale of Compton Campus (page 24 of the report).

Professor Chambers asked for KPMG's opinion on the risk status of retrospective purchase orders which had been given a high risk rating last year. Mr Deane advised this had been a high risk which was being addressed so he now graded this to be a medium/low risk. It was noted these issues would be monitored by Audit Committee.

Resolved the KPMG Audit Highlights Memorandum and Management Letter be received and approved and submitted to HEFCE.

1355 Audit Committee Annual Report

Mr Sharp highlighted the items of significance in 2011/2012. Effective risk management processes were being developed over the next twelve months. The Chair thanked Mr Sharp and Audit Committee for their hard work over the year.

Resolved the Audit Committee Annual report be received, approved and submitted to HEFCE.

1356 Campus Masterplan

Mr Henry Gun-Why delivered a presentation on the University's masterplan for City Campus. It was noted the project boards for the masterplan would provide periodic reports to Finance and General Purpose Committee.

1357 Key Performance Indicators

Mrs Lloyd Wildman advised tier 1 of the Key Performance Indicators (KPI) would be presented to the Board of Governors. Tier 2 were deemed to be managerial and would not be routinely presented to the Board but would be made available upon request. Academic Board had approved the KPIs but an error had been spotted on KPI 4 where net liquidity should be 90 days, not 60 days. Mrs Lloyd Wildman advised that an explanation would be given to any change in status to red or amber. Ms Gee questioned if the target of 5% per annum surplus over five years was a realistic target. Mr Walford also noted space utilisation and the built environment had not been included in tier 1 and highlighted a lack of oversight on these in previous years had led to later issues. Mrs Lloyd Wildman advised space utilisation and built environment were not detailed on tier 1 but remained a priority. The Committee discussed whether space utilisation and built environment should be included in tier 1. It was suggested that for clarity the KPIs made clear which were for a one year period and which were over a longer period of time.

Resolved the Key Performance Indicators at Tier 1 be approved.

1358 Academic Board Report

Mr Pymm presented the Academic Board reports for 17th September 2012 and 5th November 2012.

Resolved the confirmation of the award of Doctor of Science to Professor Michael Fullen.

1359 HEFCE Annual Assessment of Risk

The Committee received the letter from HEFCE dated 10th October 2012 regarding institutional risk. It was noted that HEFCE opinion was that the University was not at higher risk and this was the Funding Council's most positive rating

1360 Reports from Governor Committees

(a) Finance and General Purpose Committee, 27th September 2012: The report was noted.

(b) Finance and General Purpose Committee, 8th November 2012: In addition to the report Mr Holding clarified that the fees for accommodation at Walsall

Campus aimed at nursing students was being reconsidered by Mr Gun-Why and Mr Holding.

- (c) Audit Committee, 6th September 2012: The report was noted.
- (d) Audit Committee, 1st November 2012: The report was noted.
- (e) Wholly Owned Companies, 8th November 2012: Professor Oakes advised the University of Wolverhampton Corporate Services Ltd had seen a slight reduction in income compared to the previous year. University of Wolverhampton Social Enterprise Ltd (formerly I-cd) was an umbrella for Education Central. The annual accounts had been received and recommended to the Board for approval. **Resolved the accounts be approved.**
- (f) University of Wolverhampton Science Park Ltd, 8th November 2012: The report was noted.
- (g) Equality and Diversity Committee, 30th October 2012: The report was noted.
- (h) Nominations Committee, 22nd September 2012: The report was noted. The proposal of a second deputy chair had been considered and approved under minute 1339.

The reports from the Governor Committees were received and noted for information.

1361 Sealing Register

Register number 378 was approved by the Board.

1362 21 and Proud

In addition to the paper Sir Geoff Hampton advised three sculptures would be commissioned, to be displayed in each campus. Twenty one trees would also be planted. Celebrations were to commence in January 2013 and continue until June 2013. **The report was received and noted.**

1363 Any Other Business

- (a) Christmas Carol Service: This was to be held on 13th December 2012. 3:15pm St Peter's Collegiate Church.
- (b) Lord Adonis Talk: This was to be held on 7th December 2012, invites had been sent to Governors.
- (c) Desktop Review of Governance 2012/13: Governors were advised this would be undertaken.
- (d) Declaration of Interest forms: Governors were asked to return their completed forms, if they had not already done so.

Meeting closed.

Next meeting: 28th March 2013, Council Room, 6pm