

## **Board of Governors**

Minutes of the eighty-second meeting of the Board of Governors, held on Thursday 24 November 2011 at 6:00 pm in WN201, WN Building, Walsall Campus.

### **Present:**

Mr M Elliott (Chair)	Professor G Layer
Dr J Johnson	Ms K Gee
Professor M Chambers	Mr K Harris
Mr J Sharp	Dr B Conway
Mrs A Kimbley	Ms L Cutting
Mr S Walford	
Mr J Pymm (from 7:20pm onwards, item 1210)	

### **In attendance:**

Mr A W Lee, Clerk  
Dr J Burnett, Acting Pro-Vice Chancellor Academic  
Professor A Holmes, Deputy Vice-Chancellor (Academic)  
Prof Sir Geoff Hampton, Deputy Vice-Chancellor  
Mr A Holding, Head of Finance  
Ms J C Nelson, Pro-Vice Chancellor Student Affairs  
Professor Ian Oakes, Pro-Vice Chancellor Research and Enterprise  
Mrs H Lloyd Wildman, Pro Vice Chancellor and Director of Corporate Services  
Mr G Sproston, Deputy Vice-Chancellor and Director of Finance  
Mr A Holding, Head of Finance  
Mr A Argyle, KPMG

### **Administrator:**

Miss Gemma Towns, Strategy & Governance Co-ordinator

### **1208 Welcome and Apologies**

Apologies were received from Cllr Kuldip Shahota, Ms Kate Copestake, Ms Carole Burgher, Mr Ian Hyde and Dr John Bergin. The Chair expressed his condolences on behalf of the Board to Ms Copestake and Ms Burgher.

John Chorley was welcomed as an observer to the meeting.

The Chair expressed his thanks to the Students' Union and SSPAL for their respective events held that afternoon prior to the meeting.

### **PART A: Priority Items for Discussion**

## **1209. Accounts 2010/11, KPMG Audit Highlights Memorandum and Management Letter and Five Year Financial Forecast**

### **(a) To receive and, if so resolved, to approve the Consolidated Report and the Financial Statements for the year ended 31 July 2011.**

Mr Holding advised there were a number of minor amendments to the accounts 2010/11 but clarified these amendments made no difference to the overall figures.

The Chair confirmed the accounts had been examined in detail at Audit Committee and Finance and General Purposes Committee. Mr Holding advised there was an overall surplus of £12m and outlined briefly how this had been achieved. It was noted that cash flow was buoyant and any impact of potential HEFCE clawback would occur in the current financial year. There was still some uncertainty regarding 2012/13 but the University was in a healthy financial position. The Chair congratulated the Executive team in their management of the University finances but reiterated the need to be prudent. It was questioned whether the University, as a charity, needed to consider reviewing the amount of cash it held over the next few years. Mr Holding advised of caution when looking at the reserves and Mr Argyle stated it was not good practice to use up resources for the sake of spending them. It was noted that looking forward to 2012/13, there was a potential clawback from HEFCE; the University would be collecting tuition fee income in lieu of receiving a HEFCE grant and there remained uncertainty regarding student numbers. Mr Sproston was of the view the 5% target detailed in the strategic plan was a sensible target.

**Resolved** that the Consolidated Report and the Financial Statements for the year ended 31 July 2011 be approved and submitted to HEFCE (**action: AH**).

### **(b) To receive and, if so resolved, to approve the KPMG Audit Highlights Memorandum and Management Letter.**

Mr Argyle confirmed a well organised and structured plan was in place and on track. A better than forecasted result had been achieved. There remained a need for continued vigilance in data management between finance and student records. The core finance system functioned well but was not as efficient as it could be. A new finance system was in development but consideration would need to be given to the most appropriate time to launch the system.

Professor Chambers enquired about the £6m spent on retrospective ordering and asked what the position was expected to be at the end of the next financial year. Mr Holding confirmed there may be some exceptional circumstances where an order cannot be raised beforehand but monthly reporting on retrospective orders continued to be undertaken and the number of retrospective orders would be reduced.

A discussion was held around FRS17. Mr Holding confirmed this could be difficult to predict. An allowance had been made for a 1% pay award. A procurement review had been completed and savings had already been made by re-negotiating contracts, for example for multi-function devices (photocopier/printers). Quarterly forecasts were also being completed to provide an accurate financial position.

The Clerk asked that page 22 of the report, recommendation 6, was amended to reflect an implementation date of 4<sup>th</sup> November 2011 (**action: KPMG**).

**Resolved** that the KPMG Audit Highlights Memorandum and Management Letter be received and approved and submitted to HEFCE (**action: AH**).

**(c) To receive and if so resolved, to approve the Audit Committee Annual Report 2010/11.**

Mr Sharp presented the report to the Board.

This report had been considered in detail by the Audit Committee on 3<sup>rd</sup> November 2011.

The Clerk tabled amended wording to be inserted into page 7 of the report (amended report attached to minutes).

The Chair extended his thanks to Mr Sharp and Audit Committee for their hard work.

**Resolved** that the report, to incorporate the tabled amendment, be approved and submitted to HEFCE (**action: AH**).

### **1210. Vice Chancellor's Report**

The Vice Chancellor advised there may be potential funding claw-back from HEFCE relating to under-recruitment of students to a target set by the University Modernisation Fund. The Chair highlighted the seriousness of the issues which had arisen regarding the HESSES/HESA data given the history of concerns about data management and reporting in the University. The Board were satisfied with the Vice Chancellor's handling of the matter since the discrepancies had been discovered but regretted that the issue had arisen and the impact on future growth that will result.

The Vice Chancellor advised that going forward in 2012/13 student recruitment would be addressed. The Vice Chancellor advised there would be greater ownership of student targets, monitoring of student withdrawals and of student numbers generally. Leadership and responsibility for recruitment would also be identified within the Corporate Management Team. Retrospective withdrawal of students would no longer be permitted unless signed off by a Dean of School. The Chair stated the potential claw-back was disappointing for the University but recognised this issue was being dealt with appropriately. The University were in discussions with HEFCE and a decision was awaited in the new calendar year. There would be the option to formally appeal the decision in due course, should the University wish to do so. It was unclear if any other institutions were similarly affected.

The Vice Chancellor confirmed he would continue to provide monthly updates to staff and Governors on this matter. Discussions with the Office for Fair Access (OFFA) continued regarding the University's access agreement.

### **1211. Students' Union Accounts and Report**

It was noted that the Students' Union accounts would no longer be presented to Finance and General Purposes Committee each year and instead would be presented directly to the Board of Governors November meeting.

Mr Harris advised his report had been edited and asked that in future his report was presented to Governors unedited.

Mr Harris advised the Students' Union elections had seen a significant increase in votes cast.

Mrs Nelson advised that the Students' Union had a new charitable status and trustees were meeting every two months. Two external trustees had also been appointed.

The Chair congratulated the Students' Union on their successful Walsall opening event and wished the Students' Union a successful year.

**Resolved** that the Students' Union accounts for the year ended 31 July 2011 be received and approved.

## **PART B – Items for Debate**

### **1212. Strategic Plan 2012-2017**

Mrs Lloyd Wildman advised the strategic plan had been developed since the Governors Away Day in October 2011 and had been shaped by the consultation sessions and feedback via email. New Key Performance Indicators (KPI) would be developed as a result of the strategic plan. It was acknowledged that if approved, the plan would become operational the following day. The Chair congratulated the University on the pace and scope of the strategic plan.

**Resolved** that the strategic plan 2012-2017 be approved.

## **PART C – Items for discussion and/or to note**

### **1213. Minutes of Previous Meeting held on 7<sup>th</sup> July 2011**

Mrs Lloyd Wildman advised she had sent her apologies for the meeting and asked for the minutes to be amended to reflect this.

It was noted that the final sentence of item 1202, report from Governors Estates Working Party, should read, "The Chair thanked members for their attendance and involvement and **John Sharp** for chairing the Committee".

**Resolved** that the minutes of the eighty-first meeting of the Board of Governors be approved as true record with the amendments.

### **1214. Reports from Governor Committees**

#### **(a) Audit Committee**

**Resolved** that the report on the meeting of the Audit Committee, held on 3<sup>rd</sup> November 2011, including the Annual Report of the Audit Committee to the Board of Governors and the Vice-Chancellor be received.

#### **(b) Finance and General Purposes Committee**

The Clerk tabled a report from Mrs J Nelson, Pro Vice Chancellor Student Affairs, containing a summary of all tuition and accommodation fees for the year 2012/2013.

**Resolved** that the report on the meeting of the Finance and General Purposes Committee, held on 17<sup>th</sup> November 2011, be received.

#### **(c) Wholly Owned Companies Board Meeting**

**Resolved** that a report on the meeting of the Directors of the Wholly-Owned Companies, held on 17<sup>th</sup> September 2011, be received.

#### **(d) Wolverhampton Science Park Board Meeting**

**Resolved** that a report on the meeting of the Directors of the Wolverhampton Science Park Board meeting, held on 17<sup>th</sup> September 2011, be received.

### **1215. Academic Board**

#### **(a) Receive a report on the Academic Board Proceedings of 7<sup>th</sup> November 2011**

Dr Walford asked why the University had not performed well in the National Students Survey (NSS). It was thought that students did not view the NSS as of high importance. It was recognised there was a need to explain the reasons for the survey and to encourage the completion of the NSS. Ms Nelson confirmed the NSS was promoted by the Students' Union. It was discussed whether the University did enough to communicate with students about the NSS. There was also a general discussion as to whether students were more inclined to complete the NSS if they were unsatisfied. Sir Geoff Hampton confirmed more partnership working with students was required and was being addressed, particularly in view of the preparation of the University's Key Information Set (KIS) for 2012.

#### **(b) Honorary Award Nominations for Congregations in 2012**

The Vice Chancellor advised that Lord Paul had spoken with Sachin Ramesh Tendulkar who had confirmed he would not accept any honorary awards until he had retired from cricket. It was agreed therefore that such proposal be deferred to a further date. Subject to this deletion it was **resolved** that the Honorary Awards nominations for Congregations in 2012 be approved.

There were no matters arising.

### **1216. Key Performance Indicators**

The Board were advised that a new set of Key Performance Indicators would be developed from the new strategic plan. Ms Gee asked if any action would be taken in respect of KPI 17, the diversity of the staffing profile. Dr Conway advised that many vacancies attract applications from individuals outside of the European Union and queried if this may be affecting the position. It was confirmed that Steph Harris, the new Director of Human Resources, would be looking at this issue.

**Resolved** that the Key Performance Indicators reports be received and approved.

### **1217. Sealing Record**

The Board confirmed the affixing of the Common Seal of the Corporation to the documents set out against items 356 to 364 of the Sealing Record.

### **1218. Declaration of Interests and Public Biography**

The Chair asked Governors to effect any changes to their declarations of interest and public biography forms and return these to the Clerk, if they had not done so. The Clerk clarified that new forms were to be completed by each Governor, following an Audit recommendation.

### **1219. Any Other Business**

- (a) Dr Johnson asked if advertising boards around the city could be used to celebrate graduation. Sir Geoff Hampton advised this had been explored with the City Council but three months' notice was required and this had prevented their use for September 2011 graduation ceremonies. This was being explored for all future ceremonies.
- (b) It was confirmed the Christmas Carol Service would take place on 7<sup>th</sup> December 2011 and all were welcome to attend.

Meeting closed: 8:15pm.

**Next Meeting: Thursday 29<sup>th</sup> March 2012, 6pm, Council Room, Wulfruna Street, Wolverhampton.**