

**Board of Governors
Open Minutes of the meeting held on 16 December 2015**

Present:
Andrew Scarborough

Victor Agboola
David Baker
Sue Dutton
Margaret Gardner
Richard Horsley
Sylvia Hughes

Ron Mendel
Nick Petford
John Skelton
Nick Pitts-Tucker
Nicholas Robertson

Apologies: Sara Goodwin, Mark Mulcahey, Martin Pettifor, David Watson.

In attendance: Jane Bunce (Director SAS), Bob Griggs (Waterside Project Director), Mark Hall (Director of Finance), Terry Neville (Chief Operating Officer), Jocelyn Prudence (Interim Clerk)

M255/15 Declarations of Interest

255.1 Standard Declarations of interest were noted as follows for members: David Baker as a member of the Board of Governors of the University of South Wales; Sylvia Hughes, as District Councillor, East Northamptonshire Council and County Councillor, Northamptonshire County Council; Nick Petford, as a member of Northampton Enterprise Partnership (NEP) Board; Andrew Scarborough, as Borough Councillor Wellingborough; Chair of Wellingborough Magistrates and Chair of Rowan Gate Primary School (Special Education); Sue Dutton, as a staff member of the Governing Council of The Open University.

255.2 For those in attendance those below were noted: Mark Hall, as Governor at Northampton College; Terry Neville, as Governor of Moulton College, member of South East Midlands Local Enterprise Partnership (SEMLEP) Board, the Northampton Heritage Gateway Strategic Project Board and the NCCs Project Angel Steering Group.

M256/15 Full minutes of the meeting held on 18 November 2015

256.1 The Board considered the minutes of the meeting held on 18 November 2015 (Paper A). It was agreed that Minute 236.2 confirming the outcome of QAA judgements could be reclassified as open (not confidential).

256.2 The Board approved the minutes as presented in Paper A, as a true record, of the meeting held on 18 November 2015.

M257/15 Matters Arising

257.1 Paper B outlined the progress undertaken since the last meeting in relation to matters which had arisen. Matters in hand, undertaken or to be considered on the agenda elsewhere were noted. Additional comments were made in relation to the following matters:

Senior Post Holder Objectives – M207.4 refers

257.2 The Deputy Chair reported that an update would be given under the agenda item covering the Remuneration Committee Report.

Update on Head of Advancement – M217.5 refers

257.3 The Chief Operating Officer provided a verbal update on the Head of Advancement post. It was noted that following an unfruitful recruitment process, the Director of Research, Impact and Enterprise contacted a number of personal contacts, which led to a number of expressions of interest and meetings.

257.4 Following an introductory meeting with the Deputy Chair, the Chair of the Advancement committee and another Governor, the position was offered to Tommy Hutchinson on a consultancy basis. It was clarified that Mr Hutchinson would undertake work at the University two days a week with additional time spent externally.

Update on visit to Goodwill Solutions CIC – M240.0 refers

257.6 The interim Clerk confirmed that arrangements for the visit would be made in liaison with the incoming Clerk, Miriam Lakin.

Prevent Duty-M250 refers

257.7 The Director of SAS updated members on the requirements of the HEFCE guidance on the Prevent Duty and reported that arrangements were in hand to undertake self-assessment of organisational preparedness. The Director of SAS confirmed that student bodies, Senate and the Trade Union liaison group would be consulted on the issues and that options for Governor training were also being appraised. It was noted that in Further Education Governors were required to have a certificate of training by 18 December 2015. The Chair of the Audit Committee recommended that independent committee members also be included in any training.

M257.8 The Board welcomed the report and requested an update at the next meeting.

Action: Clerk and Director of SAS.

M258/15 Recommendations and minutes from Honorary Awards Committee

258.1 The Board considered the recommendations for Honorary Awards set out in paper C1.

258.2 In response to questioning, the Chair of the Committee and Director of SAS clarified that: honorary fellowships were a category of award which recognised an individual's connection with the University, with Northampton or with the County; Honorary Bachelors of Science were

being awarded to individuals who had completed Diplomas in Leather Technology at the University, at such time when degrees in this subject were not awarded by the University's antecedent institutions.

258.3 The minutes of the meeting held on 11 November and the recommendations for honorary awards were approved by Board members.

M259/15 Update on Waterside Project

259.1 The Chair prefaced the discussion with a reminder that the discussion would exclude on-going negotiations with principal contractors for reasons of commercial confidentiality.

259.2 The minutes of the PAC meeting held on 8 December and Waterside update report were received in Paper D. The Waterside Project Director additionally presented an update, highlighting key points.

259.3 Following a summary of the tendering process and clarification of the specification of work, it was proposed that Keir be appointed to undertake work on student residences amounting to £53.5m. It was noted that the cost per bed provided was comparable to the cost of building the St Johns residences but the mix of residences would be different, such as through the inclusion of town houses.

259.4 The Board approved the proposal.

259.5 It was noted that the project team were in dialogue regarding the tender packages for the academic buildings, which were over budget. An update on discussions and value engineering opportunities would be provided to the Board and the PAC at meetings in January. Any resulting proposals would be presented to the Board for approval at the earliest opportunity.

259.6 In response to a question about the need to reassess utilities regarding flood defences, it was reported that Northampton has been tested in the last few winters providing considerable experience to draw from.

259.7 Regarding non Waterside Buildings it was confirmed that:

- Approval for £8m borrowing for a non-CHP Energy Centre had been received from HEFCE and HMT. It was noted that there is no requirement to draw this in March 2016 as with other PWLB loans though timing is likely to be determined by NCC as part of their long term borrowing allowances.

Clerk's Note: Further detail of this item is held in Reserved Minute 259.7, bullet points 1-4.

259.8 The Board thanked the Chief Operating Officer and Waterside Project Officer for the progress report and approved the Waterside Update for December 2015.

M260/15 Update on Senior Academic Structures

260.1 The Vice Chancellor reported that a reorganisation of senior academic structures was underway. It was noted that although Executive Deans have been involved in drawing up new structures to streamline schools, all have been made aware of the risk of redundancy and the voluntary severance scheme available. There would be consultation about what academic units might be called in the future. It was hoped that the final structure would be resolved by mid-January 2016.

Clerk's Note: Further detail of this item is held in a section of Minute 260.1 which is reserved.

260.2 In response to questioning, it was noted that confidential discussions have taken place with the UCU. It was suggested that the Executive and Union should discuss how the union might reach out to affected members as this was not a matter for Board decision or comment.

260.3 Board members received the report and asked for a short paper describing the proposed new structure and a confidential update, if needed, at the Away Day event in January.

Action: Vice Chancellor/Clerk

M261/15 Update from Advancement Committee 16 December 2015

261.1 The Committee Chair reported good progress and pace on Advancement activities from the meeting held prior to the Board meeting. It was noted that the Director of Research, Enterprise and Impact had injected particular enthusiasm into the agenda.

261.2 Particular items of note included reports on:

- Advancement targets and specific campaigns.
- Social impact bonds and how they can be used.
- The establishment of a health and wellbeing Community Interest Company.

261.3 The Chair emphasised Board members key role in developing a successful Advancement campaign. Members were encouraged to visit the invest fundraising and philanthropic giving website, which has pages supported by CAF to manage safely donations from small gifts of £5 to larger and more sophisticated relationships involving building naming rights.

261.4 Board members were encouraged to support future activities including:

- A series of dinners in Northampton and London to engage with leading individuals.
- A focus on the legacy strand of Advancement at the next Court meeting.
- An increase in Alumni activity to connect with 68,000 untapped contacts, involving the Students Union.
- Investigation of the implications of the University setting up as a Social Impact Finance Intermediary (SIFM), noting the successful experience of Imperial College.

M261.5 The Board welcomed the report.

M262/15 Update from Search Committee 14 December 2015

262.1 The Deputy Chair updated members on the progress of the Search Committee, highlighting the need to invoke a high degree of confidentiality through the next stages of the search for a new University Chancellor.

262.2 It was reported that the meeting held on 14 December had considered a long list of potential candidates who might be considered for the position of Chancellor following an invitation to University staff and students to suggest names of individuals for the position. The Deputy Chair noted that levels of engagement arising from the initiative had been very positive and stakeholders should be thanked for their contributions. The search process would now necessarily move to a more closed stage of consideration.

262.3 The Board welcomed the report and resolved to receive further updates as the process proceeded.

M263/15 Update from Remuneration Committee 18 November 2015

263.1 The Deputy Chair provided a report of the key items covered at the meeting of the Remuneration Committee held on 18 November. The Committee reviewed the corporate and personal objectives for the Vice Chancellor, Chief Operating Officer and considered objectives and bonus payment for the outgoing Clerk up until end November 2015. Material covering the objectives had been circulated to Board members ahead of the meeting.

263.2 The committee also considered the pension tax changes and their implications for senior and other staff who could be adversely affected by forthcoming changes. The committee confirmed that efforts to inform staff should be maintained but no further action should be taken as the University had a duty to treat all staff equitably and not to offer anything that could be construed as financial advice.

263.3 It was further noted that the Committee approved a remuneration policy for senior staff, in accordance with CUC good practice guidance. This would be made available on the University website as soon as the new site is able to facilitate this.

263.4 The Board welcomed the report and confirmed the objectives circulated.

M264/15 Update from Treasury Committee 8 December 2015

264.1 The Chair of the Committee updated members on position of short term funds amounting to £205.3m, including £148.6m placed in a GIC.

Clerk's Note: Further detail of this item is held in a section of Minute 264.1 which is reserved.

- 264.2 The Committee had received a presentation from European Wealth (EW) on investment performance of a placement of £15m to date.
- 264.3 The Committee considered a Paper covering the timing of the drawdown of the original Public Works Loan Board (PWLB) advance for £60m and the extra advance of £8m for building the energy center.
- 264.4 Given the current lack of interest rate volatility, the Committee agreed it would be appropriate to exercise the loan drawdown in line with the latest exercise date of 31 March 2016.
- 264.5 It was noted that Treasury surplus (excluding philanthropic funds) would increase to £90m during the lifetime of the Waterside project. EW had been asked to put together a proposal to manage the funds until completion of Waterside.
- 264.6 The committee requested that EW and the Executive develop a proposition for the investment of the PWLB drawdown funds for consideration by the Board.
- 264.7 The committee agreed that the Audit Committee should be appraised of the Treasury Committee's investment strategy in order to generate increased funds and for this to be noted on the risk register and regularly reviewed.

Clerk's Note: Further detail of this item is held in Reserved Minute 264.8

- 264.9 The committee requested an exploration of alternative options for investment with lower management costs.

264.10 The Board welcomed the report.

M265/15 Minutes of the Audit Committee 18 November 2015

- 265.1 It was noted that the Chair of the Audit Committee had presented a verbal report of the meeting of the Committee held on 16 November 2015 at the previous Board meeting.

265.2 The Board approved the minutes of the Audit Committee held on 16 November 2015.

M266/15 Period 4 Management Accounts

- 266.1 The Director of Finance presented the Management Accounts as at 31 November 2015 (Paper F).
- 266.2 It was noted that the variance to budget for the year to date was £3,495k favourable. The University was therefore on course to meet its budgeted surplus but a firmer position should be indicated in the next month's accounts. It was also reported that the outcomes of the recent CSR for higher education institutions currently lack clarity. Some provision has been made for a decrease in HEFCE funding but this is based on best

guess assumptions. Further information would be provided as soon as it is available.

Action: Chief Operating Officer/Finance Director

266.3 The Board approved the management accounts as at 30 November 2015.

M267/15 Any Other Business

276.1 The Vice Chancellor reported that the formal outcome from the QAA visit in late October 2015 was that three good practice points had been identified with two recommendations for change. An action plan would be produced to address the recommendations. A fuller report would be presented to the next Board meeting.

Action Vice Chancellor and Clerk

276.2 The Vice Chancellor updated members on developments with local UTC's.

267.3 The Chair reported that a tree at the new campus would be purchased as part of the outgoing Clerk's leaving gift and that thanks and good wishes had been extended at a recent farewell lunch also including the Deputy Chair and former Chair.

M268/15 Confirmation of availability of papers

The following papers were confirmed as confidential to the meeting:

- Paper B - Recommendations from Honorary Awards Committee
- Paper D - Update on Waterside Project – November 2015
- Paper E - Minutes of the Audit Committee 18 November 2015
- Paper F - Management Accounts.

M270/15 Date and time of next meeting

The next meeting would follow the Away Day events on 14/15 January 2016 and be held on 27 January 2016.

M271/15 Branding Presentation

The Board received a presentation from the Holman Group.



Chair



Date

