

Board of Governors Minutes of the Meeting held on 18 October 2017

Present:

Andrew Scarborough (Chair)	Mark Mulcahey
David Baker	Nick Petford
Sue Dutton	Nick Pitts-Tucker
Rafael Garcia-Krailing	Nick Robertson
Richard Horsley	John Skelton
Sylvia Hughes	Danjie Zhong
Frank Jordan	

Apologies:

Sara Goodwin, Jeff Halliwell, Lee Machado, Martin Pettifor

In attendance:

Miriam Lakin (Clerk), Jane Bunce (Director of Student and Academic Services), Hastings McKenzie (Dean Academic Partnerships) (for item 171), Mark Hall (Director of Finance), (Deborah Mattock (Director of HR, Marketing and International Relations), Terry Neville (Chief Operating Officer), Ann Shelton-Mayes (Executive Dean Student Experience), John Sinclair (Dean of Arts, Science and Technology)

166/17 Welcome, Apologies and Quorum

166.1 The Chair welcomed those present, noted apologies and confirmed quoracy.

167/17 Declarations of Interest

167.1 No declarations of interest were received in addition to those held on file by the Clerk's Office.

168/17 Minutes of Previous Meeting

168.1 The Board approved the minutes of the meeting held on 20 September 2017 as a true record of that meeting.

169/17 Matters Arising

169.1 The Board received Paper A on actions arising from previous meetings. Additional comments were received on the following:

169.2 **Speaker from the Office for Students (Minute 134.1)**

It was confirmed that during the transfer of power from HEFCE to the Office for Students, invitations to speak were not being accepted. The Vice Chancellor agreed to identify an alternative speaker for the Away Day, to talk about enterprise.

169.3 Security and Resilience on the Waterside campus (Minute 154.3)

This action would be addressed through PAC.

169.4 External Board Effectiveness Review

The Chair confirmed that three proposals had been received and would be reviewed by the Clerk, the Chair and the Deputy Chair.

170/17 Faculty of Arts, Science and Technology

170.1 The Board received a presentation from the Dean of the Faculty of Arts, Science and Technology (FAST). This covered a SWOT Analysis of the Faculty for 2017 and included the following;

- Strengths – STEAM Projects (for the promotion of Science, Technology, Engineering, Arts and Maths amongst school pupils), graduate employability, Research Excellence Framework (REF) performance and improved budgetary performance
- Weaknesses – National Student Survey (NSS) outcomes 2017 and student recruitment, particularly in certain subject areas
- Opportunities – interdisciplinary research, community focus and increasing international profile.
- Threats – demographic dip, BREXIT and VISA issues for international students.

170.2 STEAM Related Activities

The Dean of FAST referred to a number of high profile events which had taken place around the county, which had involved around 2,300 school pupils. The Dean of FAST advised the Board that events like the 'Big Bang Near Me' at the Saints ground had been extremely successful.

170.3 Changemaker Challenges

The Dean of FAST advised the Board that the Faculty was active in the Changemaker Challenges. At the Changemaker Awards the Faculty had received nine nominations and three awards.

170.4 In respect of the community focus which the Faculty had identified, as an opportunity, members noted the importance of ensuring that applicants identified the town as student-friendly and that the University worked in

partnership with the town to promote itself to applicants. The Dean of FAST stated that it was a vibrant town with much to offer students and that he was working with the Head of University Centre for Employability and Engagement on how to communicate this to applicants.

170.5 The President of the Students' Union noted that the opening of the new Students' Union venue in the town centre created further opportunity. He also highlighted the importance of growing more academic course-based societies as a link between the academic subject, the student body and the culture, creativity and nightlife of the town.

170.6 **FAST Team Development**

The Dean of FAST advised the Board that the FAST Executive Team had had a successful Away Day in September 2017, and was working very successfully together and finding opportunities for synergy across the Faculty. He thanked the Vice Chancellor for the opportunity to attend a Leadership Programme. He stated that the programme was extremely rewarding and had helped to prepare him for new challenges.

170.7 Members noted that the cohesion of the team was important. The Dean of FAST stated the cohesion of the course team could have an impact on the NSS results. The changes and improvements to the FAST leadership team have resulted in a refreshed message to the students.

170.8 **Graduate Employability and NSS Outcomes**

The Dean of FAST noted that there had been a very slight decline in graduate employability outcomes, by around 1% overall. The Faculty focused a lot of effort in this area, for example through its regular Employability Week. The importance of links with local industry was also noted. It was confirmed that whilst no direct link between NSS and employability outcomes had been identified, the same factors could contribute to both. These could include course content, quality of teaching and resources. The Dean of FAST also noted the effect that the group dynamic of a particular student cohort could have on outcomes. He stated that staff were well aware that achieving a successful NSS outcome was a three-year project. The Vice Chancellor also noted that the sector did not decide which types of work were classified as graduate positions, and this could have an impact where, as in FAST, many arts graduates were self-employed.

170.9 The Board thanked the Dean of FAST for an informative and helpful

presentation.

171/17 Review of Partnership Finances

- 171.1 The Board received and discussed Paper I, a follow-up report requested by the Board regarding the profitability of UK and international partnerships. The Director of Finance advised the Board that the initiative to expand partnerships had been broadly successful thus far, but that it had proved difficult and resource-intensive to collect fees from some overseas partners. Finance were working closely with the Academic Partnerships Office to manage this area as tightly as possible.
- 171.2 The Chair thanked the Director of Finance and Dean of Academic Partnerships for providing the Review of Partnership Finances. He noted that overseas partnerships were a different marketplace, presenting a different set of challenges, for example to the University's risk appetite.
- 171.3 Members asked if the University provided a standard product to the overseas market. The Dean of Academic Partnerships explained that from an initial franchise model, the University was developing different offers. Whilst the way in which the curriculum was supported was standard, systems of delivery, recruitment and timetables varied between partners.
- 171.4 Members asked if the smaller partnerships involved more work. The Dean of Academic Partnerships stated that there would be a review of the smaller partnerships to evaluate profitability and ongoing viability.
- 171.4 Members asked about opportunities to grow larger volume partnerships. The Dean of Academic Partnerships reported on a number of opportunities that were being explored both in the UK and overseas.
- 171.5 Members asked about the potential to attract students from partnerships to the University's postgraduate courses. The Dean of Academic Partnerships stated that some partnerships, notably with Navitas, had the express purpose of preparing students for postgraduate study. There was further potential to develop this opportunity.
- 171.6 Members stated that the Board was extremely cognisant of the risks and of the University's responsibilities which were inherent in working with overseas partners, for example with respect to the risks of money-laundering.

Minute 171.7 is in the confidential section of these minutes.

- 171.8 The Chair noted that partnerships were an important area and this area was developing well as a significant income stream for the University. He asked the Director of Finance to report regularly to the Board through the management accounts on partnership finance.

Action: Director of Finance

172/17 Strategy Refresh

- 172.1 The Board received and discussed Paper B, a draft of the revision to the strategic plan. The Vice Chancellor advised the Board that he wanted to simplify and increase communication of the revised strategy and align it with the brand.
- 172.2 The Vice Chancellor advised the Board that he had presented the revised strategy to the Faculties, First Degree services, and branch representatives from the University and College Union (UCU). All had been very supportive.
- 172.3 The Vice Chancellor advised the Board that Paper B set out various presentation options for the plan, and that some copies of the four page version of the Strategy would be printed for distribution to staff without access to the internet, and to key partners and stakeholders. He advised that the text of the revised Strategic Plan had been taken from the previous version. The main change therefore was to the critical success factors. A separate page had been created for each critical success factor.
- 172.4 It was reported that for staff the strategic plan was embedded in the annual performance and development review so that staff objectives supported the overall strategy. It was noted that the notion of supporting staff was clearer in the revised strategy.
- 172.5 The Vice Chancellor showed the Board a draft one-page infographic that had been created by third year design students to set out the strategy. The Board welcomed and supported this.
- 172.6 The Vice Chancellor noted the importance of ensuring that students understood the University's mission and strategy, and the opportunities available to them through this, in particular to become involved in and to contribute to the University for example through course design. As a further example, it was reported that the final year Marketing students would take over the Marketing Department for a day to give real world experience and

to enhance their understanding of the University. Members noted that improving student understanding and engagement in this way would help to set the norms and standards expected of students, and to make clear that the University was super-supportive, and also had clear expectations for the behaviour, engagement and contribution of its students.

172.7 The Vice Chancellor noted the alignment of the revised strategy with sector priorities recently presented at the annual meeting of HEFCE.

172.8 The Board approved and supported the revised Strategic Plan as set out in Paper B.

173/17 Operational Plan Review 2016-17

173.1 The Board received and noted Paper C.

174/17 Student Recruitment Update

174.1 The Board received and discussed Paper D, a report regarding enrolment for 2017 and recruitment for 2018. The Director of HR advised the Board that there would be a more complete picture of enrolment for 2017 by December 2017. It was therefore agreed that there would be no report to the November meeting of the Board.

174.2 It was noted that on present estimates, undergraduate recruitment was 497 students short of target, against a budget estimate of a shortfall of 330. Members asked if this had implications for the spend on recruitment activity for 2018. The Director of HR, Marketing and International Relations reported that recruitment activity for 2018 had begun. Good attendance had been seen at open days, and good feedback received from those who had attended. It was also reported that a very attractive student benefits package was being offered, and that this was being well-marketed to potential applicants. The cost of this was around £1m per annum.

174.3 The Director of HR advised the Board that postgraduate recruitment had increased. Members asked why there had been an increase in postgraduate applications. It was reported that the University had offered to its graduates a reduction in tuition fees for postgraduate courses. The courses therefore offered excellent value for money to graduates.

174.4 Members asked about student retention and the budgetary implications of retaining students once they were enrolled. It was confirmed that where students did not progress to the next year of study, this had a significant

impact on the overall budget as the shortfall was cumulative over three years. It was reported that the withdrawal rate was around 10%, and that the reasons for withdrawal were tracked and recorded, and presented a complex picture. The revised strategic focus on being super-supportive challenged the University to become involved earlier and more effectively with students. It was noted that the withdrawal rate was increasing across the sector, and the particular challenge for the University was to support the varied needs of its student body.

175/17 Management Accounts

- 175.1 The Board received and noted Paper E, the University's management accounts to 30th September 2017.
- 175.2 The Director of Finance reported that a full reforecast of the Waterside budget was being carried out by KPMG for presentation to the Project Assurance Committee and the Board.
- 175.3 In order to give an interim view on student recruitment for 2017/18, the Director of Finance had assessed invoicing to students. His estimate was 550 below target, although this had not yet taken into account the positive position with regards to postgraduate recruitment.
- 175.4 There were around 100 unoccupied rooms in University owned student accommodation to date, although it was expected that an improvement would be seen in November, and the final occupancy rate would therefore be as expected. It was noted that from September 2018, there would be 500 additional rooms at the Waterside campus, in addition to the existing accommodation at the Park and Avenue campuses.
- 175.5 With regards to IT project expenditure, it was reported that three significant project costs had been delayed and had therefore fallen into the 2017/18 year. These were electronic document records management, student records and the customer relationship management system. An alternative solution for student records was being sought as the original partner had not delivered as had been expected.

Minute 175.6 is in the confidential section of these minutes.

- 175.7 Members asked about the impact of greater reliance on income from one-year taught postgraduate courses. It was reported that this would depend on the volatility of the market and whether recruitment could be

maintained at the current level. It was noted that the assumption on student recruitment for 2018/19 was 300 more students than in the current year. This assumed that the Waterside campus would be attractive to applicants, that postgraduate recruitment would continue to be buoyant, and took into the account the attractiveness of the student support package that had been put in place.

175.8 KPMG were carrying out a sensitivity analysis regarding student numbers. The student intake for 2017/18 would be known by January or February, allowing decisions to be taken about the cost base. It was agreed that the Board should see the sensitivity analysis during the first quarter of 2018.

176/17 Report from the Development Committee

176.1 It was reported that the Development Committee had met on 10 October and that the minutes would be circulated to the next meeting. The Chair reported on matters discussed at the Development Committee.

176.2 The Committee discussed enterprise, and particularly the growth of enterprise income, and agreed that this should be an item for discussion at the Board Away Day in January.

176.3 The Committee had received details about research activity, and noted the overall strengthening of the research function, particularly through the four research institutes. Professorial career paths had also been discussed. The desirability of attracting external funding for professorships was noted.

176.4 There had been notable successes in income generation as follows:

- Competency Testing Centre
- Health training contracts, illustrating the additional possibilities for that Faculty
- The Institute of Transport and Logistics working with Northamptonshire County Council on Societal Travel CIC
- Northamptonshire Enterprise Social Enterprise (NESE), this continued to win funding and had recently won a contract to provide services on behalf of SEMLEP (South East Midlands Local Enterprise Partnership).

176.5 Advancement work continued. As a new university, the generation of advancement income was a long game, and very high expectations were unrealistic. The importance of communicating with alumni was noted. The Students' Union were working well with alumni on sports development, and

this was supported and encouraged by the Committee. A recruitment exercise for a new Fundraising Manager was noted.

176.6 The Committee had also discussed apprenticeships, and recognised the importance of this for the development of the University. Further engagement with employers was ongoing in order to promote the University's work.

176.7 Reporting from the Development Committee to the Board had been discussed. Further work would be carried out to develop a suitable report with metrics allowing development to be tracked. The Development Committee would then have oversight of this key area and report to the Board in much the same way as the Project Assurance Committee.

177/17 Remuneration Committee Annual Report

177.1 The Board received and noted Paper F, the first annual report from the Remuneration Committee to the Board. It was reported that this was presented for information and to improve the transparency of the discussions and decision making of the Remuneration Committee. The Board welcomed the report.

178/17 Appointment of Chair and Deputy Chair

178.1 The Board received Paper G, a proposal on the process and timing of the appointment of a Chair and Deputy Chair of the Board.

178.2 The Board approved the process and timescale for the appointment of a Chair and Deputy Chair as set out in Paper G. The Board confirmed that it did not wish to advertise externally for a Chair or Deputy Chair at this time, the roles would be filled from the existing membership of the Board.

179/17 Appointment of Senior Independent Member

179.1 The Board received Paper H, a proposal to appoint a Senior Independent Member.

179.2 The Board approved an updated role description for the Senior Independent Member as set out in Paper H.

179.3 The Board approved the appointment of Martin Pettifor as Senior Independent Member for a period of three years from 18 October 2017 to 18 October 2020.

180/17 Report from Vice Chancellor and Chief Operating Officer

- 180.1 The Board received and noted Paper J, a report from the Vice Chancellor and Chief Operating Officer.
- 180.2 In addition to the report, it was noted that the Government intended to consult on the creation of a new Knowledge Exchange Framework which would track enterprise income.
- 180.3 Public discussion about reducing student fees was ongoing, and the risk that this would pose to the University, especially with regards to the ability to meet the debt cover covenant with HMT, was noted.
- 180.4 Another successful Changemaker Awards evening had been held. It was noted that all governors should be invited to future events.
- 180.5 Uno Buses had launched its new buses and re-branded Violet route between the park and ride at Sixfields, the town centre and the University's campuses.
- 180.6 The risk of the deficit from the USS (Universities Superannuation Scheme) was noted. Whilst the University had a small number of USS members, if all of them left the scheme, there would be a cost to the University. Further investigation would be carried out to quantify the size of the risk. The Director of Finance agreed to prepare a paper for the next meeting of the Treasury Committee.

Action: Director of Finance

181/17 Annual Review of Bye-Laws and Scheme of Delegation

- 181.1 The Board received Paper K, a routine annual review of the Bye-laws and Scheme of Delegation, and approved changes to both documents as set out in the paper.

182/17 Criminal Finances Act 2017

- 182.1 The Board received Paper I, a review of the Criminal Finances Act 2017 and the University's compliance with the Act. A further report would be brought to the Board in a year in order to check on compliance.

183/17 Collection of Equality and Diversity Data from Governors

- 183.1 The Board received and noted Paper M which set out a new national and internal system for the collection of equality and diversity from governors.

184/17 Ratification of Signatures under Seal

184.1 The Board received Paper N, a record of the signature of documents under the University's seal. The Board ratified the signatures as set out in Paper N.

185/17 International Tuition Fees 2018/19

185.1 The Board received Paper O, a proposal for international tuition fees in 2018/19.

185.2 Members received assurance that the proposal made the University comparable with competitors.

185.3 The Board approved the tuition fees as set out in the paper.

186/17 Annual Report and Accounts – Draft Narrative Section

186.1 The Board received Paper P, the draft narrative section of the University's Annual Report and Accounts. Members were asked to give their detailed comments to the Clerk to the Board for inclusion in the version to be presented to the Board at its next meeting.

186.2 In respect of the public benefit statement, members requested a presentation on the duties of trustees. It was suggested that a student could be invited to give this.

Action: Clerk

187/17 Date of Next Meeting

187.1 Wednesday 22 November at 10.30am in the Board Room, Senate Building


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Approved by Chair


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Date