

UNIVERSITY OF BEDFORDSHIRE

BOARD OF GOVERNORS

Minutes of the fifth meeting, held on 22 November 2007

Present	Mrs Mina Gouran	Chair, Vice Chair of Governors
	Mr David Baggott	Independent Governor
	Dr Ann Cook	Independent Governor
	Professor Angus Duncan	Staff Governor
	Professor Les Ebdon	Vice Chancellor
	Ms Lindsey Fidler-Baker	Co-opted Governor
	Mr Sean Gammon	Staff Governor
	Ms Miriam Hubbard	Student Governor
	Ms Kathryn James	Independent Governor
	Dr Yasmin Jetha	Independent Governor
	Mrs Gillian Malins	Staff Governor
	Mrs Helen Nellis	Vice Chair of Governors
	Mr Brian O'Callaghan	Independent Governor
	Mr David Pearson	Independent Governor
	Mr Tom Phillips	Student Governor
Mrs Carol Richmond	Independent Governor (from item 65.3)	
Councillor Raja Saleem	Co-opted Governor (from item 65.3)	
Professor Anthony Turner	Co-opted Governor	
Apologies	Mr Gary Barr	Independent Governor
	Mr Andrew Bentley	Chair of Governors
	Mrs Jane Creasy	Independent Governor
	Mr Paul Wells	Independent Governor
Attending	Mr Graham Blake	Director of Facilities and Estates (for item 71)
	Ms Kate Boulter	Assistant Secretary
	Dr Jim Franklin	Registrar
	Mr Donald Harley	Director of Finance
	Mr Peter Harrison	Davis Langdon (for item 71)
	Professor Kate Jacques	Pro-Vice Chancellor (Bedford Campus)
	Mr Colin Moses	RMJM (for item 71)
	Professor Kate Robinson	Deputy Vice Chancellor (Academic)
	Professor Andrew Slade	Pr-Vice Chancellor (Research & Enterprise)
	Mr Arthur Sullivan	Secretary, Clerk to the Governors

UB64 Introductory remarks and conflicts of interest

64.1 The Chair welcomed all those present to the meeting, including Ms Boulter, who has recently joined the University, and will in future act as Secretary to a number of Board Committees.

64.2 Mrs Gouran also passed on the apologies of the Chair of Governors for being unable to attend the meeting, as he was overseas on business.

UB65 Constitutional and membership matters

65.1 The meeting confirmed the re-election of Mr Andrew Bentley as Chair of Governors, and Mrs Mina Gouran and Mrs Helen Nellis as Vice Chairs, following an email consultation with members as recorded in paper GB07/1. Dr Yasmin Jetha was

also confirmed as Vice Chair elect, to take over from Mrs Gouran when she reaches the end of her term office as a Governor in May 2008.

65.2 The meeting also unanimously elected Ms Carol Richmond as an Independent Governor, and Councillor Raja Saleem as a Co-opted Governor, as proposed by the Nominations Committee. Ms Richmond and Councillor Saleem joined the meeting at this point, and the Chair welcomed them to membership of the Board.

65.3 The Board noted with regret Mr Brian O'Callaghan's decision to leave the Board slightly before the end of his second term of office as a Governor. This leaves a vacancy for the office of Chair of the Planning, Finance and Resources Committee, as well as a number of vacancies for membership of that Committee. Governors were invited to consider membership of the Committee, and it was agreed that recommendations on future membership and the Chair should be made in writing before the next meeting.

Action: Mr Sullivan

UB66 Minutes of the fourth meeting of the Board of Governors, held on 12 July 2007

66.1 The minutes were confirmed as an accurate record for signature by the Chair.

UB67 Matters arising

67.1 The meeting noted the report of matters arising provided in paper GB07/3.

67.2 (54.9) Further to the increases reported at the last meeting, the government has announced a major review of funding for students with disabilities.

(55.2) The Vice Chancellor reported that the University's programmes will form the majority of the provision being run by Milton Keynes College at the new Higher Education Centre in Milton Keynes. The University will seek to grow the provision further, and the College is demonstrating its commitment by seeking to recruit a Vice Principal to lead the Centre.

67.3 (58.4) The Audit Committee will be in a position to provide reassurance on the University's procurement processes in the early part of 2008. A new procurement manual is to be presented to the Committee in January 2008, and an audit of large procurement exercises is also to take place early in the new year.

UB68 Financial statements for the year ending 31 July 2007

68.1 The Board noted and approved the financial statements for the year 2006-07, presented in paper GB07/4, together with the statement on the operation of risk management controls and letter of representation to the auditors contained in papers GB07/5 and GB07/6.

68.2 The statements are the first for the new University, and demonstrate that the impact of the acquisition of the Bedford campus has exceeded expectations, and increased the overall level of turnover by 33%. The budget surplus level was achieved despite a £1.9m provision being made for exiting onerous leases on student accommodation, and staff pay increases of up to 12%. The student debt position at year end is also slightly improved from that in 2006. The meeting congratulated the Director of Finance on this impressive outcome.

68.3 However, members noted with disappointment the decline in the proportion of income from research in the past year. In part, this is due to the fact that research income from the Bedford campus was retained by De Montfort University at the time

of transfer, and the relatively low base of research at the new campus generally. The need to increase the level of research and commercial income has been acknowledged, as has the need to integrate the two activities more closely. Departments and faculties will be asked to put forward plans for resourcing increased activity in the coming planning round, with the aim of achieving the target 10% increase in income from these sources each year which is included in the balanced scorecard.

68.4 The Board also noted the fact that the University is able to recover only about 10% of the VAT charged on purchases under present regulations, which are strictly enforced by HM Revenue and Customs. This is an area in which Governors and Court members could usefully lobby government at some point in the future.

UB69 Audit management letter for the year ending 31 July 2007

69.1 The Board also noted the auditors' annual report and highlights memorandum contained in paper GB07/7, and agreed that it should be forwarded to the Funding Council.

69.2 The meeting noted the comments of the Audit Committee in relation to the recommendations in the report. Governors welcomed the fact that the University has put in place new procedures aimed at reducing the incidence of debt, and has brought forward the date on which students will be sanctioned for non-payment of fees for the current financial year. The Audit Committee and the Planning, Finance and Resources Committee will again monitor student debt, which the subject of the one high priority recommendation in the report.

69.3 The meeting also drew attention to the auditors' comments in relation to the segregation of duties, and the risks inherent in the continued reliance on particular individuals for key functions in the University. The University is addressing these issues through its new succession planning strategy, and the Finance and Information Systems departments are working particularly on ensuring that key knowledge is shared between staff, to reduce risk levels. Particular issues arise in the information systems area, where continuous cover is required, and the University will be looking at all possible solutions, including cross-training and out-sourcing.

69.4 With these comments noted, the Board requested that the Audit Committee should monitor the University's response to the auditors' recommendations throughout the coming year, as has happened previously.

UB70 Annual report of the Audit Committee, 2006-07

70.1 The Board also noted the annual report of the Audit Committee (paper GB07/8), and agreed that it should be forwarded to the Funding Council, in accordance with their requirements.

70.2 The Chair of the Committee drew attention to the fact that the 'full' or 'substantial' levels of assurance were provided by internal audit in respect of 94% of audits conducted during the year, which represents a very considerable improvement on the record of previous years. However, the audit programme for the coming year focuses on areas of particular risk, and it may be that this level of performance will not be repeated.

70.3 The Board's attention was also drawn to the fact that Southern Universities Management Services have been engaged to review the University's approach to value for money, and in particular the scope of the value for money strategy.

UB71 Estates strategy

71.1 The meeting considered the proposals put forward in paper GN07/9 for taking forward the redevelopment of the Luton campus, taking note of a supplementary presentation from the University's consultants for the Master-planning phase of the project.

71.2 Those present noted that current calculations indicate that the University will be able to afford between £60m and £75m for the redevelopment, if it is to be funded on borrowing alone, in order to stay within Finding Council borrowing limits. The proposed limitation of 30000m² on total space area indicated in the paper is derived on current space availability, with a reduction to reflect greater efficiency in space use which would be possible in a redeveloped and refurbished campus. The site as a whole is capable of sustaining development up to 60000m², and the University will investigate opportunities for possible external funding and use of the additional capacity of the site.

71.3 Members sought and received assurance that the student body has been properly consulted on the proposals through the Students Union, and that there are no diversity issues raised by the proposed re-orientation of the campus to face St Mary's Church. Reassurance was also provided that the project continues to be led by future academic requirements, which favour the creation of flexible, rather than subject specific, learning spaces. The importance was stressed of full communication with staff, whose enthusiasm for the development may be required in meeting student concerns during the construction phases.

71.4 Attention was drawn to two specific areas of concern in the proposals: the tight time scale indicated for obtaining planning consent; and the low level of contingency provided in the indicative costing for the first phase building. Reassurance was provided that the University is in constant contact with the Borough Council, and the proposed time scale appears to be realistic. Whilst members were also reassured that the low level of contingency reflects a high cost per square metre in the overall costing, the meeting agreed that a more realistic apportionment of costs should be included in final proposals, to enable proper scrutiny by the Board.

Action: Mr Harley

71.5 The Board also sought further reassurance that the proposals are being developed in the context of the additional capacity of the Bedford site, and that the capital needs of that campus are included in the University's overall projections of affordability. Attention was drawn to the fact that more intensive use of new capacity on both sites will bring with it higher maintenance costs.

71.7 The meeting agreed the following.

- a) Given the much extended time frame for redevelopment of Power Court, the University should concentrate the redevelopment and refurbishment on the current campus site, as proposed in recommendation 1 of the paper.
- b) The Master-plan should be based on a campus facing onto St Mary's Church, with a connected pathway, as proposed in recommendation 2.
- c) Master-planning should continue on the basis of a University space requirement of 30000m², as proposed in recommendation 3. However, the University should identify partnership and other opportunities for developing the site more intensively.

71.8 The University will continue working to outsource student accommodation, indicating to potential partners that new build might be located on the site currently occupied by the Student Centre, College House and the Chaplaincy, as proposed in recommendation 5a. Work will also continue on planning a first phase building on the campus site, along the lines indicated in recommendation 5b, but incorporating a

review of contingency provision as indicated above. Detailed recommendations concerning these developments will be brought to the next meeting of the Board.

Action: Mr Harley

71.9 Meetings of the Estates Strategy Review Group will be convened to review these proposals, and progress with the campus Master-plan, at suitable milestones prior to the next full meeting of the Board.

Action: Mr Sullivan

UB72 Vice Chancellor's report on current issues

72.1 The Board noted the Vice Chancellor's report (paper GN07/10).

72.2 Governors' attention was drawn to the fact that, although recruitment is at a similar level to 2006, overall funded student numbers are expected to be 500 or so behind the agreed target. This appears to result mainly from over-optimism in the planning round, and steps are being taken to reduce the likelihood of this recurring for the coming year. International student numbers are also short of target, by some 230.

72.2 The shortfall will not result in any loss of Funding Council grant, and the impact on income is expected to be manageable at an institutional level. Nonetheless, under-recruiting areas have been asked to provide action plans for reducing costs. This may result in some staff being offered voluntary severance, particularly in areas affected by the down-turn in the volume of training for the NHS.

72.3 The UCAS application cycle for 2008 entry has started well for the University, with the number of applicants up by 10% over the 2007 cycle, against the national trend, indicating an increase in overall market share. However applications to computing subjects and to law do not show any sign of recovery at the start of the new cycle.

72.4 The report also draws attention to the recent announcement of the withdrawal of funding for students taking second qualifications at an equivalent or lower level. Although it appears that the proposal will be implemented, the impact on the University may be smaller than at first feared as students at the British School of Osteopathy may be exempted from the regulations.

72.5 The Vice Chancellor took the opportunity to announce that the University has appointed Professor Ashraf Jawaid as Deputy Vice Chancellor (External Relations). Professor Jawaid is currently Pro Vice Chancellor (International Affairs and Graduate Culture) at the University of Coventry, and is expected to take up post in April 2008.

72.6 The Board noted the report in the paper on proposals to deliver the University's awards in China through a collaboration with Shenyang University of Technology and an industrial partner. Spin off opportunities may exist for research and enterprise. The development would require no capital investment by the University, and the executive believes that the major risks, including quality assurance are manageable. Nonetheless, the Board agreed that, should the proposal develop beyond the initial stages, it should re-convene the Partnerships Committee to review the governance issues which may arise, and ensure that risks to the core business are minimised.

UB73 Balanced scorecard

73.1 The meeting approved new balanced scorecard proposals contained in paper GB07/12 with the following points noted.

- a) The Registrar will meet with the Students Union to develop further indicators relating to student services, and student accommodation.
- b) Where appropriate, indicators will be aligned with metrics to be used in future for assessing research and enterprise funding.

Action: Dr Franklin

UB74 Finance Director's report

74.1 The Board noted the report provided in paper GN07/13.

UB75 Reports from Board Committees

75.1 The meeting noted receipt of the reports from Committees provided in papers GB07/14 to GB07/20. The following issues were noted in particular.

75.2 The Board agreed that the criteria for assessing institutional risk, and the overall corporate risk appetite level should remain unchanged, as recommended by the Audit Committee (paper GB07/16 refers).

75.3 The Board also approved the corporate level risk register, as considered by all Committees during the last cycle of meetings, and as recommended by the Audit Committee (paper GB07/17 refers).

75.4 In relation to the report from the Human Resources Committee, the meeting noted that the University has developed a strategy for succession planning, and that it will shortly begin implementing an external consultants' report on the management of health and safety. The University will also be defending a case in the Employment Tribunal later in November.

75.5 The Marketing and Communications Committee will pay particular attention to issues of market share, customer care and the centrality of the student experience in the coming year.

75.6 The Planning, Finance and Resources Committee intends paying particular attention to the issues arising from the proposed out-sourcing of the student accommodation business.

UB76 University league tables

76.1 The meeting considered the report on league tables provided in paper GB07/21. Members noted that there are sometimes arbitrary changes in the criteria used by the various compilers, which makes forecasting of future position very difficult. Nonetheless, the University has formed a group to review the National Student Survey results, and to consider the disparity between individual marks and the overall rating awarded by students, which may in part be due to poor communication between the various functions which form the overall student experience.

UB77 Minutes of meetings of Board Committees held since 12 July 2007

77.1 The Board received the minutes of meetings held between 12 July and 31 October 2007, contained in paper GB07/22.

UB78 Any other business

78.1 This was the last meeting at which Professor Angus Duncan and

Mrs Gillian Malins would be present as staff Governors, and the Chair took the opportunity to thank them for their contribution during their period in office.

78.2 The Chair and Vice Chancellor also paid tribute to the work of Mr Brian O'Callaghan, who has decided to leave the Board shortly before the end of his second term of office as a Governor. The Board joined them in thanking Mr O'Callaghan for his exceptional contribution to its work, through his chairing of the Planning, Finance and Communications Committee over the past three years.

UB79 Next meeting

79.1 The next meeting, the Board's annual residential, will be held on 8 and 9 February 2008.

Arthur Sullivan
Clerk to the Governors
9 December 2007