

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE MEETING HELD ON WEDNESDAY 10TH OCTOBER 2018**

Present: Mr D Bagley (Independent Governor), Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Mr J Flathers (Senior Independent Governor), Mr J Finnigan (Independent Governor, Vice-Chair of the Board of Governors), Ms A Handa (Independent Governor), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/Student Governor), Dr D Reid (Independent Governor), Ms K Watson (Independent Governor), Mr D Whitehead (Independent Governor), Professor S Wonnacott (Vice-Chancellor)

In

attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

- 1.0 **Apologies for absence.** Apologies were received from Professor P Cullen (Co-opted Governor), Ms G Edge (elected & co-opted Staff Governor), Professor C Pickles (Independent Governor) and Mr N Ramshaw (Independent Governor).
- 2.0 **Declaration of interests & code of conduct report.** The following standing declarations of interest were received at the start of the meeting: Mr Bagley (Council member University of Sheffield, Director Gradcore Limited); Mr Bates (employee, Leeds Arts University); Mr Clements (partner, Deloitte); Mr Flathers (partner, Irwin Mitchell); Ms Horton (student, Leeds Arts University); Ms Ojari (Leeds Arts University Students' Union President); Mr Reid (Director of Bank Saderat plc and an Independent member of the probate (regulatory) committee of the Institute of Chartered Accountants of England and Wales); Ms Watson (Artistic Director, East Street Arts, Leeds); Mr Whitehead (Deputy Principal, Leeds College of Building), Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

Mr Bagley also stated, during a discussion of graduate employment at agenda item 6, that he was a Director of Gradcore Limited.

PART I - Procedural matters: items for approval

- 3.0 **Minutes of the July 2018 Board of Governors' meeting.** The minutes of the

meeting of the Board of Governors held on 4th July 2018 were approved with the addition of Mr D Whitehead and Mr D Bagley to the list of those present at the meeting: proposed Ms A Handa, seconded Mr J Finnigan.

Action: Clerk

- 4.0 **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that actions not already completed were on the agenda or had a future completion date.

The Clerk reported that:

- The governance effectiveness questionnaire would be circulated to Governors for completion by 31st January 2019, with the results to be discussed at an Extraordinary Search & Nominations Committee to be held on 27th February 2019.

Action: Clerk

There were no other matters arising from the minutes. The Board of Governors received the action table report.

PART II - Items for consideration and monitoring

- 5.0 **Chief Executive's report.** The Vice-Chancellor, Professor Wonnacott presented the CEO's report for October 2018. Governors noted, in particular, the following areas covered by the report.

(i) Office for Students (OfS)

Governors noted that the University had been listed on the OfS register of English higher education providers, which had replaced the previous Higher Education Funding Council for England (HEFCE) register.

(ii) Academic Enrolment, retention and success rates

The Vice-Chancellor noted that the University had a first degree non-continuation rate of 1.9% against a sector benchmark of 6.4% and had been awarded the Sunday Times and the Times Good University Award for Retention.

The Vice-Chancellor presented a breakdown of the Sunday Times and Times Good University Guide rankings in which the University was in 54th place. Governors noted that this was the first time that the University had appeared in the list.

Governors noted that the Leeds Arts Union's NSS satisfaction rate was positive at 70% in relation to the NSS statement that 'The Student Union effectively represents students' academic interests'.

(iii) Access and Participation Plan

The Vice-Chancellor reported that the Office for Students (OfS) had agreed the principles and activities of the University's Access and Participation Plan 2019/20.

(iv) Estates

Governors noted that a report on the new build would be considered later on the agenda.

(vii) Research activities and student successes

Governors noted reports on research activities and student successes.

The Board of Governors received the CEO's report for October 2018,

congratulating staff and students on the achievements noted in the report.

- 6.0 **Annual report against the Strategic Plan indicators & KPIs.** The Vice-Chancellor presented the first annual report against the strategic plan 2017-2023 and key performance indicators (KPIs), noting that the plan was based on 3 aims and 3 enablers. Governors considered and discussed the report in detail.

(A) Strategic Aims

Strategic aim 1: to provide student-centred teaching and learning in a studio and practice based environment which nurtures excellence, leads to graduate success, and supports economic growth and artistic enrichment).

Governors noted that:

- With reference to the NSS, the overall satisfaction, teaching, assessment and feedback and resources measure had been used to judge performance, with the University having an overall satisfaction rate higher than the creative arts and the HE sector benchmarks;
- Whilst overall satisfaction as recorded in the NSS survey results had decreased this had coincided with a decrease in satisfaction in the sector generally;
- Non-continuation results had been positive;
- The University's further education (FE) Learner Satisfaction survey interim result benchmark had been exceeded.

Governors considered the University's performance in relation to graduate success, noting that:

- The University's employment rating for the Higher Education Statistics Agency (HESA) Destination of Leavers from Higher Education (DLHE) survey was an improvement on the previous year but was slightly lower than the creative arts subject benchmark and the HE sector.

Actions taken by the University to improve graduate career prospects were discussed in detail. Mr Bagley declared an interest in graduate employability as a Director of Gradcore Limited.

Governors noted in discussion the importance of practical support for students considering self-employment, including building resilience, understanding cashflow and legal requirements, building a personal brand and profile.

Governors noted that:

- FE achievement rates had remained high at 94.2%;
- Rates above 90% had been sustained over the last 3 years.

It was noted in response to Governors' questions that the FE achievement rate sector benchmark was 88.6%.

Strategic aim 2: To continue to develop and progress relevant research practice which enhances teaching and learning, is globally significant and contributes positively to society.

Governors noted that:

- The University was continuing its preparation for REF2021 with targeted support to assist staff in generating peer reviewed research outputs;

- The Pro-Vice-Chancellor Academic, Professor Whittaker, would provide a Governor training session on research progress on the 27th February 2019;
- The KPI for the proportion of HE academic staff with Doctorates and Masters had been exceeded.

Strategic aim 3: To consolidate our reputation as an influential specialist arts university, collaborating with external partners to support student success and cultural advancement.

Governors noted, with reference to 2018/19, that:

- Undergraduate enrolled Home and European Union (EU) student numbers were lower than budget;
- With reference to Home and EU students, enrolment for postgraduate courses had been strong and numbers were above budget;
- Overseas undergraduate student numbers were lower than budget, although there had still been a substantial increase in new students recruited compared to previous years, with students drawn from a variety of countries;
- Home, EU and overseas FE student numbers had exceeded target and fee income was expected to be in line with budget;
- Lower student numbers would have an impact on overall income for 2018/19, it was expected that tuition fee income would be lower than budget (dependent on the non-collection rate and the number of students eligible for bursaries) but it was not expected that the operating surplus would be significantly affected.

(B) Strategic enablers

Strategic enabler 1: To foster a dynamic and professional culture which attracts, recruits and retains student-centred staff who actively engage in self-development and make a full contribution to the University.

Governors noted that:

- The KPI for HE academic teaching staff with Higher Education Academy (HEA) Fellowship had been achieved;
- The KPI for FE teaching staff with teaching qualifications had been significantly exceeded;
- It was accepted that these indicators would, however, always be affected by staff turnover and new staff would be supported to achieve HEA Fellowships and/or gain teaching qualifications, where appropriate.

Strategic enabler 2: To have a high quality physical environment and underlying infrastructure that supports students and staff in their aspirations and increases engagement with the wider community.

Governors noted that:

- The indicator relating to the percentage of property insurance replacement value invested in capital and maintenance had been exceeded, with a focus on buildings and refurbishment in recent years.

Strategic enabler 3: To ensure institutional sustainability by generating sufficient surpluses and using funding effectively so that appropriate investment can take place.

Governors noted that:

- The conversion rate target for Home students was aspirational, with the University's conversion rate comparable to competitors, but with some courses having exceeded the target;
- The University's annual surplus was in excess of the KPI and budgeted surplus and higher than in 2016/17;
- With reference to the KPI for payroll costs, the University had invested in staff, with payroll costs having increased by 6.1% compared to 2016/17.

Governors discussed widening participation, noting that:

- The Equality, Diversity & Inclusion Committee had recently considered a UCAS report on offers to under-represented groups and the University had commissioned a researcher to survey satisfaction amongst Black and Minority Ethnic (BME) students;
- The University's longer-term approach to widening participation included its outreach work with schools.

It was noted in response to Governors' questions that:

- As many of the aims and enablers in the Strategic Plan 2017-23 had been new for 2017/18, it had not been possible in some cases to provide a previous year's figure for comparison but this could be considered for future years e.g. providing the previous year's figure in brackets, highlighting longer term trends.

Action: Vice-Chancellor

The Board of Governors received the annual report against the University's strategic plan indicators and KPIs.

Part III - Academic Board report: for information

- 7.0 Academic Board report.** The Vice-Chancellor presented the Academic Board minutes of the 27th June 2018, highlighting, in particular, course approvals recorded in the minutes i.e.
- The Academic Board had approved the BA (Hons) Fashion Design, BA (Hons) Fashion Branding with Communication and BA (Hons) Comic and Concept Art courses, with all recommendations and conditions having been met;
 - The BA (Hons) Visual Communications course had been approved following periodic review.

With reference to minute 5 (Academic Regulations 2018-19 for undergraduate courses), it was agreed that Professor Whittaker, Pro-Vice-Chancellor Academic, would discuss in more detail the regulation concerning the connection between rehearsals and assessment events for BMus (Hons) Popular Music students with Ms Ojari (Students' Union President/Student Governor), who had not been a member of the Academic Board at the time of the June 2018 meeting.

Action: Pro-Vice-Chancellor Academic/Students' Union President

The Board of Governors received the minutes of the Academic Board meeting held on 27th June 2018.

PART IV - Financial & estates matters: items for review & information

8.0 Financial matters: management accounts & building project update. The Pro-Vice-Chancellor Assurance & Director of Finance presented the management accounts for 31st July 2018, including a review of financial KPIs, which was considered.

Governors noted that:

- The financial year-end surplus was higher than budget and prior year;
- As previously reported, income had been higher than budget, primarily due to HE Home fees, following strong recruitment and a non-collection of fees rate of 2.5% compared to the budget assumption of 5%;
- The balance sheet showed strong net assets and a healthy cash balance;
- Fixed assets had increased as the new build continued;
- The accounts included adjustments under FRS (Financial Reporting Standard) 102, with the University's pension deficit having reduced slightly due to an actuarial gain.

It was noted in response to Governors' questions that:

- Student hardship and cash bursary expenditure had been higher than budgeted;
- The OfS fee was now expected to be paid in 2018/19;
- With reference to the University's revolving credit facility, a proportion was expected to be drawn down in November 2018;
- The University would assess capital needs and the outcome of the undergraduate fee review (expected to take place in spring/summer 2019), before making a final decision on use of the revolving credit facility.

The Pro-Vice-Chancellor Assurance & Director of Finance presented a confidential progress report on the University's new build project.

Governors noted the successful refurbishment undertaken at the University's Blenheim Walk site during summer 2018, which had included the provision of a new Students' Union office. Governors thanked the University's Estates team and the co-operation of staff, including those who had moved offices whilst planning for enrolment.

The Board of Governors received the management accounts for 31st July 2018, noting the positive year-end position, and a building project update.

PART V - Safeguarding matters: items for approval

9.0 Children, Young People & Vulnerable Adults Protection Policy. Professor Russell, Pro-Vice-Chancellor Student Experience & Resources, presented the Children, Young People & Vulnerable Adults Protection Policy, which had been updated to reflect revised guidance issued by the Department for Education i.e. 'Working together to safeguard children: a guide to inter-agency working to safeguard and promote the welfare of children' (July 2018) and 'Keeping Children Safe in Education' (September 2018). Professor Russell reported that Ms Handa, Lead Governor for safeguarding and the Prevent duty, had reviewed and commented on the draft policy.

The Board of Governors approved the revised Children, Young People & Vulnerable

Adults Protection Policy: proposed Mr J Flathers, seconded Mr D Bagley.
Action: PVC Student Experience & Resources

PART VI - Committee reports & minutes: for information

- 10.0 **Board of Governors: committee minutes & reports: Search & Nominations Committee.** The Chair of the Search & Nominations Committee, Mr Flathers gave a verbal report on key issues considered at the Committee meeting, which had taken place earlier on 10th October 2018.

Governors noted, with reference to items considered at the above meeting that: Mr Flathers had been re-appointed as Chair and Ms Handa as Vice-Chair of the Committee; the Committee had considered forthcoming Governor vacancies and Governors' audit of skills table; with reference to Board diversity, it had been noted that the Board of Governors currently had a gender balanced Board; with reference to Governor attendance at external training events, both Student Governors had attended an Advance HE/NUS seminar for Student Governors in September 2018; Governor attendance at Board and committee meetings at training events had been considered; the importance of Governor attendance and in-house training sessions had been emphasised; employability and new courses would be topics at the Governor development session to be held on 1st May 2019.

The Chair emphasised the importance of good attendance at the Governor training session on 27th February 2019, which would include a briefing on research at the University, including the Research Excellence Framework (REF).

The Board of Governors received a verbal report on key issues considered at the Search & Nominations Committee meeting held earlier on 10th October 2018.

PART VII - Governance matters: recommendations for approval

- 11.0 **Annual review of Combined Policies document, including committee terms of reference.** The Clerk to the Board of Governors presented the revised and updated Combined Governance Policies document, including committee terms of reference. It was noted that, at section E1 (Board of Governors membership), the elected Student Governor's name should be shown as Alexandra Horton.

The Board of Governors approved the revised Board of Governors' Combined Governance Policies document, amended as noted above: proposed Mr F Bates, seconded Ms A Handa.

Action: Clerk

- 12.0 **Standing Orders: amendment of section 5.1.** Dr Reid, as Chair of the Remuneration Committee, presented a proposed revision to section 5.1 of the Board of Governors' Standing Orders.

Governors noted that:

- Following the agreed increase in the number of roles designated as senior posts within the University from 3 to 5 post-holders, a procedure for the recruitment and selection of senior post-holders had been drafted by the University's Head of Human Resources and had been considered at the July 2018 Remuneration Committee meeting;
- The Remuneration Committee had noted, however, that, the number of

Governors on the selection panel for senior post-holder appointments proposed in the draft procedure differed from the number stated in section 5.1 of the Board of Governors' Standing Orders i.e. that approval by the Remuneration Committee of the procedure as drafted would require prior approval by the Board of Governors of revisions to section 5.1 in the Board of Governors' Standing Orders;

- The Remuneration Committee had therefore agreed to recommend to the Board of Governors the amendment of section 5.1 of the Board of Governors' Standing Orders.

It was noted in response to Governors' questions that the effect of the proposed revision of section 5.1 would be that:

- The composition of any designated senior post-holder appointment panel, including the number of Governors to be appointed to the panel, would be determined by the Board of Governors following notification of a vacancy;
- The number of Governors appointed to the panel would, however, be no fewer than 3 Governors.

The Board of Governors approved the proposed revision to section 5.1 of the Board of Governors' revised Standing Orders: proposed Mr Bagley, seconded Mr Whitehead.

Action: Clerk

- 13.0 Senior Post-holder Remuneration Procedure.** The Chair of the Remuneration Committee, Dr Reid, presented the senior post-holder remuneration procedure, reporting that the Remuneration Committee was recommending that the procedure should be revised and updated to take account of the designation by the Board of Governors of the academic Pro-Vice-Chancellors as senior post-holders from 24th January 2018, the establishment of the Office for Students from 1st April 2018, and guidance issued on senior staff remuneration by the Committee of University Chairs (CUC).

It was agreed that the phrase 'to gender or other' was redundant, as gender was already included in the reference to protected characteristics, and should be removed from section i(c) of Appendix D of the revised senior post-holder remuneration procedure.

Action: Clerk

The Board of Governors, on the recommendation of the Remuneration Committee approved the senior post-holder remuneration procedure, amended as noted above; proposed Mr J Finnigan, seconded Ms A Handa.

PART VIII - Governance matters: reports for information

- 14.0 Use of the University seal.** The Clerk presented a report on the use of the University seal since the Board of Governors meeting held on 4th July 2018, noting the sealing and signing of the JCT Design & Build Contract 2016 Edition and contract documents in respect of the refurbishment at Blenheim Walk.

The Board of Governors received the report on the use of the seal.

- 15.0 Chair's action report.** The Clerk reported that, under section 3.6 of the Board of Governors' Standing Orders, a report on any action taken by the Chair of the

Board of Governors between Board meetings was included as an agenda item at the next ordinary meeting of the Board of Governors.

Governors considered a report on action taken by the Chair of the Board of Governors since the Board of Governors' meeting on 4th July 2018, noting that the Chair of the Board of Governors had approved, under Chair's action, the raising of 3 orders for IT and film equipment required for the start of the 2018/19 academic year, which had been purchased using appropriate procurement channels.

The Board of Governors noted and received the report.

PART IX - Documents from outside bodies: for information

- 16.0 OfS assurance review visit report.** The Board of Governors considered the OfS report on the outcome of the assurance review of the University that it had undertaken in June 2018, noting that the report was positive and there were no recommendations arising from the review.

The Board of Governors received the report.

- 17.0 OfS accountability returns schedule.** The Clerk presented to the Board the OfS accountability returns schedule for 2018/19, which had been issued in March 2018, noting that it was largely unchanged from the schedule published by the Higher Education Funding Council (HEFCE) in Autumn 2017 apart from the inclusion of a Value for Money (VfM) report to be approved by the Board of Governors and submitted to OfS by the 3rd December 2018. It was noted, however, that the OfS have recently advised that no VfM return would be required in 2018/19 and that further guidance would be issued by the OfS in October 2018.

The Board of Governors received the report on the OfS accountability returns schedule 2018/19.

- 18.0 Report on documents &/or links from outside bodies.** The Clerk presented a list of documents recently published by HE sector bodies or regulatory authorities on areas of interest to Governors, including relevant links i.e.
- Regulatory Advice 5: Exempt charities (Reference OfS 2018.23. Publication date 18 May 2018) and an OfS briefing note on proposed legislation on the OfS's regulation of HE providers which were exempt charities, which was expected to be in force (subject to the will of Parliament) from 1 August 2019;
 - OfS Regulatory advice 9: Accounts direction. Guidance on preparing and publishing financial statements (Reference OfS 2018.26. Publication date 19 June 2018);
 - Monitoring of the Prevent duty 2016-17 progress report and future development (Reference OfS 2018.27. Publication date 11 July 2018);
 - Prevent duty: Framework for monitoring in higher education in England 2018-19 onwards (Reference OfS 2018.35. Publication date 12 September 2018).

The Board of Governors received the report on relevant documents and/or links from outside bodies.

PART X - Final matters

- 19.0 **Any other business.** The Board of Governors thanked Mr J Cox, Students' Union President/Student Governor 2017/18 who had attended his last Board of Governors' meeting on 4th July 2018, for his contribution as a Governor. Ms A Horton was welcomed to her first meeting as an elected Student Governor.
- 20.0 **Risk Management.** No new items of risk had been identified at the meeting.
- 21.0 **Date of next meeting.** It was noted that the Board of Governors was next due to meet on Wednesday 28th November 2018 at 1.30pm.

PART XI - Reserved Matters

- 22.0 **Exclusions.** The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms M Ojari (Students' Union President/Student Governor), Ms A Horton (elected Student Governor), Mr F Bates (Governor nominated by the Academic Board), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Professor R Whittaker (Pro-Vice-Chancellor Academic), and Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance).
- 23.0 **Reserved Matters: minutes of the Board of Governors meeting held on 4th July 2018.** The Board of Governors noted that the minutes arising from the Reserved Matters section of the meeting held on 4th July 2018 had been approved at minute 3 above and were in the public domain.
- 24.0 **Reserved Matters: confidential Remuneration Committee minutes of 4th July 2018.** The Board of Governors received the confidential Remuneration Committee minutes of the 4th July 2018.
- 25.0 **Any other business arising from the Reserved Matters agenda.** There was no other business not already on the Reserved Matters agenda.
- 26.0 **Risk Management.** No new items of risk had been identified during the Reserved Matters section of the agenda.

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE MEETING HELD ON WEDNESDAY 28TH
NOVEMBER 2018**

Present: Mr D Bagley (Independent Governor), Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Professor P Cullen (Co-opted Governor), Ms G Edge (elected & co-opted Staff Governor), Mr J Flathers (Independent Governor), Mr J Finnigan (Independent Governor), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/Student Governor), Professor C Pickles (Independent Governor), Dr D Reid (Independent Governor), Professor S Wonnacott (Vice-Chancellor), Mr D Whitehead (Independent Governor),

In

attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

- 1.0 Apologies for absence.** Apologies were received from Ms A Handa (Independent Governor), Mr N Ramshaw (Independent Governor), and Ms K Watson (Independent Governor).
- 2.0 Declaration of interests & Code of Conduct.** The following standing declarations of interest were received: Mr Bates (employee, Leeds Arts University); Mr Clements (partner, Deloitte); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Ms Horton (student, Leeds Arts University); Professor Pickles (Vice President Academic and Innovation, Laureate Online Education for the University of Liverpool Online), Mr Whitehead (Deputy Principal, Leeds College of Building), Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

PART I - procedural matters: items for approval

- 3.0 Minutes of the previous meeting.** The minutes of the meeting of the Board of Governors held on 10th October 2018, including the confidential minutes, were approved: proposed Mr Whitehead, seconded Mr Bates.

- 4.0 **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that actions not already completed were on the agenda or had a future completion date.

Governors noted that an overview of the University's research strategy would be given at the February 2019 Governors' training event.

There were no other matters arising from the minutes, the Board of Governors received the action table report.

PART II - CEO's report: items for consideration and monitoring

- 5.0 **Chief Executive's report.** The Vice-Chancellor, Professor Wonnacott presented the CEO's report for November 2018. Governors noted, in particular, the following areas covered by the report.

(i) Academic Enrolment, retention and success rates

The Vice-Chancellor reported that: overall, undergraduate enrolments were slightly below budget but higher than in 2017/18; postgraduate enrolments were higher than budget; final FE enrolment numbers remained slightly above budget.

(ii) Research

Governors noted the report on research undertaken by staff, noting, in particular, Dr Attah's recent appearance on Radio 2 discussing Blues history.

(iii) Estates

Governors noted, with reference to the building project, that regular meetings were continuing to take place with the contractors and the design team and progress was being monitored. It was noted that a more detailed report would be given later on the agenda.

(iv) Successes

Governors considered the section in the report on student successes, congratulating those whose work was featured.

The Board of Governors received the CEO's report for November 2018.

- 6.0 **Key performance indicator (KPI) report.** Governors noted that, as the KPI report remained unchanged from the report presented to the October 2018 Board of Governors' meeting, there was no update to be given under this item.

Part III - Reports on academic matters: for information

- 7.0 **Academic Board report.** Governors noted that as the Academic Board had met on 19th November 2018 the minutes would be presented to the January 2019 Board of Governors' meeting.

Action: Clerk

- 8.0 **Annual report on student academic experience, student outcomes & degree standards.** Governors noted that HE institutions were required to submit an annual assurance return to the Office for Students (OfS) by 3rd December 2018. It was noted that in 2015/16 a new Part 2 to the return had

been introduced which required governing bodies to provide assurances concerning the student academic experience, student outcomes, and academic awards i.e. governing bodies were required to confirm that they had received and discussed a report and accompanying action plan relating to the continuous improvement of the student academic experience and student outcomes, including evidence from the provider's own periodic review process, which fully involved students and included embedded external peer or professional review; that methodologies used as a basis to improve the student academic experience and student outcomes were, to the best of the governing body's knowledge, robust and appropriate; and that standards of awards for which the governing body was responsible had been appropriately set and maintained.

The PVC Assurance & Director of Finance, Ms Bailey presented the University's annual report on student academic experience, student outcomes and degree standards for 2017/18, which was considered.

Governors noted in discussion that:

- The report outlined the assurance approach and key features of the methodologies used to improve the student academic experience and student outcomes;
- The report had been approved at the Academic Board, which had met on the 19th November 2018, for presentation to the Board of Governors;
- The main KPIs for tracking student experience and outcomes in 2017-18 included reference to final degree classifications, with the proportion of first class and 2:1 degrees having increased from 74% to 80%, which was above the latest HESA benchmark of 74%;
- The external examiners' report had confirmed that degree classifications were in line with the quality of work produced and that 'marking is a fair representation of endeavor';
- The Higher Education Quality Standards (HEQAS) Committee had discussed first class and 2:1 degrees and agreed an action plan for 2018-19 to evaluate and monitor degree standards;
- With reference to degree standards, it was noted that entrants had high baseline qualifications and received excellent teaching as evidenced by the NSS;
- The review of Academic Board minutes recorded, with reference to new course approval, that all conditions had been met;
- The report included a section on how the University met the expectations of the UK Quality Code for HE;
- During 2017/18 the University's internal auditors had undertaken an appraisal review of the University's HEFCE quality assurance arrangements, which had received a grade of substantial assurance.

Governors noted that KPIs for tracking student experience, outcomes and degree standards were reported to the Board of Governors at each Board meeting and reviewed in detail at the annual review of the Strategic Plan in October each year. Governors discussed the KPI report at Appendix 1 to the report in detail, including performance with reference to benchmark.

It was noted in response to Governors' questions that:

- The University's courses were validated in perpetuity but were also required to go through a periodic review process to confirm approval;
- The HEQAS Committee considered reports and made recommendations to the Academic Board on course approval and monitored progress relating to any conditions or recommendations arising;
- The periodic review panels included University academic staff, a student representative, an external employer representative and external academic representatives;
- The University had a process by which any recommendations made by the Academic Board were tracked and monitored until implemented;
- With reference to the possibility of linking the new assessment model with degree outcomes, it was noted that Fine Art had been the only course to use the new assessment model in 2017/18 and that, as noted above, the HEQAS Committee would monitor degree standards in 2018/19;
- The University had a procedure for teaching out courses which were no longer being offered.

Governors considered the Annual Quality Report Action Plan 2017-18 and the HE Annual Quality Report Action Plan 2018-19 at Appendices 2 and 3 to the report, noting that the plans were derived from the University's quality assurance systems. It was noted in response to Governors' questions that: details of improvement targets by course were held and monitored by the HEQAS Committee; with reference to the action concerning the further improvement of the University's organisation and management NSS score in the Annual Quality Report Action Plan 2017-18, that while the University did better than the NSS benchmark in this area, it wished to improve further.

The Board of Governors received the University's report for 2017/18 on the student academic experience, student outcomes & degree standards.

PART IV - finance matters: items for consideration

- 9.0 Management accounts & building update.** The PVC Assurance & Director of Finance, Ms Bailey presented the management accounts for the period ending 31st October 2018, including a review of financial KPIs and a building project update which were considered.

Governors noted that:

- As overall student numbers were below budget, tuition fee income was also lower than budget;
- The full year impact of student numbers being below budget would be slightly offset by capital grant income from the Higher Education Funding Agency (HEFCE);
- Given the reduction in income expected for the full year, a more in-depth re-forecasting exercise has been undertaken;
- The University's cash position remained strong and there were no solvency issues;
- With reference to the building project, the University currently expected to draw down the Revolving Credit Facility (RCF) in December 2018.

It was noted in response to Governors' questions:

- As previously noted, the University had a low undergraduate non-completion rate;
- Student numbers targets for 2018/19 had been set to ensure consistency of data used for estates planning and budgeting;
- The budget forecast assumed a non-collection rate for HE fees of 3%, with an actual historical rate of non-collection at around 2.4%-2.5%;
- Courses were given a budget per student for consumables, which was adjusted following enrolment to take account of actual student numbers in each department;
- The first materials allowance paid to students would be made in November 2018;

The Pro-Vice-Chancellor Assurance & Director of Finance presented an update on the building project, which was discussed.

[Confidential minute]

The Board of Governors received the management accounts for 31st October 2018, including the financial KPIs, and received an update on the building project, agreeing that the discussion of the building project update should be kept in a confidential minute.

Action: Clerk

PART V - finance & assurance matters: items for approval &/or submission to the Office for Students (OfS)

10.0 Audit Committee annual report. The Chair of the Audit Committee, Mr Finnigan presented the Audit Committee annual report 2017/18, including the following appendices: the 2017/18 internal audit report, the external audit management letter for the financial year ended 31st July 2018, and the University's risk register.

Governors noted that:

- The OfS Audit Code of Practice required HE institutions (HEIs) to have an Audit Committee which was required to produce an annual report for the governing body and the accountable officer covering the financial year and including any significant issues up to the date of signing the report, and including the Committee's opinion on the adequacy and effectiveness of the University's arrangements for: risk management, control and governance; economy; efficiency and effectiveness; management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, the OfS and other bodies;
- The Committee's Annual Report 2017/18 included a positive overall opinion.

Mr Finnigan presented a review of the work of the internal auditors, TIAA Ltd, during 2017/18, noting that they had conducted an audit of 24 days which had

resulted in the following opinion 'TIAA are satisfied that sufficient internal audit work has been undertaken to draw a positive conclusion as to the adequacy and effectiveness of Leeds Arts University's risk management, control and governance processes. In TIAA's opinion, Leeds Arts University has adequate and effective management, control and governance processes in place to manage the achievement of their objectives'. It was noted that all reviews undertaken during the year had resulted in an outcome of substantial or reasonable assurance, with all recommendations arising from the internal audit reviews having been implemented.

Mr Finnigan presented a review of the work of the external auditors, KPMG LLP UK, during 2017/18, noting that the management letter arising from the external audit for the year ended 31st July 2018:

- Indicated that KPMG anticipated issuing an unqualified audit opinion in the standard format on the financial statements;
- Highlighted the University's overall positive financial position and noted that there was nothing arising from the audit which would lead KPMG to conclude that the use of the going concern basis of accounting was inappropriate;
- Noted that no significant adjustments had been made to the accounts following the audit, with no recommendations arising from the audit;
- Recorded that KPMG's actuaries had reviewed the actuarial valuation for the West Yorkshire Pension Fund (which was the pension scheme applicable to the University's support staff) and noted that overall KPMG considered the assumptions adopted were within its benchmark range.

Mr Finnigan drew Governors' attention to KPMG's HE Sector update, which provided data and information on the sector as a whole and which was included as an annex to KPMG's report to the Audit Committee. Governors noted in discussion that it was expected that the employers' contributions to the Teachers' Pension Scheme (TPS) would increase from 2019/20.

Mr Finnigan noted that the Audit Committee annual report included a review of the independence of the external auditors, KPMG.

Mr Finnigan reported that the Audit Committee had held, at its November 2018 meeting, the Committee's annual meeting with the auditors without senior managers being present, with no significant issues being raised and the external auditors commending the preparedness and efficiency of the finance team during the audit.

It was noted that the Audit Committee's annual report recorded that the Audit Committee:

- Had considered the University's annual Members' Report and Financial Statements for the year ended 31st July 2018 at its November 2018 meeting, recommending them to the Board of Governors for approval;
- Had considered the 2017/18 data quality report at its November 2018 meeting, noting that the report had concluded that there were no material concerns relating to the contents of the data return schedule or the contents of the self-assessment questionnaires that the senior management team wished to draw to the attention of the Audit Committee;

- Had noted at its October 2018 meeting that the internal auditor's annual report had stated that they were satisfied that, for the areas reviewed during the year, that there was evidence to support the institution's achievement of value for money with regard to economy, efficiency or effectiveness of the systems reviewed.

Governors noted that the Audit Committee's overall opinion as stated in its annual report was that 'On the basis of the information presented to it, the Audit Committee is satisfied that reliance can be placed upon the adequacy and effectiveness of the University's arrangements for: risk management, control and governance; economy, efficiency and effectiveness (value for money); the management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, HEFCE, OfS, Research England and other bodies'.

The Board of Governors considered and received the Audit Committee's Annual Report for 2017/18 and approved it for submission to the OfS: proposed Derek Whitehead, seconded Mr Bagley.

Mr Clements, as Chair of the Board of Governors, thanked Mr Finnigan for his presentation of the Audit Committee's annual report and thanked staff for their contribution to the positive outcome of the audits undertaken during the period covered by the report.

11.0 Annual assurance return to the OfS. The Board of Governors considered the draft completed Annual Assurance return to the OfS.

The Board of Governors considered the draft return, noting that it was in 3 parts:

- Part 1 confirmed that the University had met its obligations under the Memorandum of Assurance and Accountability with the OfS;
- Part 2 required the Board of Governors to provide assurances relating to the student academic experience, student outcomes and academic awards (which had been considered at agenda item 8);
- Part 3 confirmed that the University was complying with its duties as a charity.

Governors noted that there was a minor typographical error in relation to the University's name on the first page.

The Board of Governors received the University's Annual Assurance return to the OfS for 2017/18 and approved it, amended as noted above, for signing by the Vice-Chancellor, as a Governor and a trustee of the charity, and for submission to the OfS: proposed Dr Reid, seconded Mr Finnigan.

Action: VC/PVC Assurance & Director of Finance

12.0 Members' report & annual financial statements for the year ended 31.7.18. The PVC Assurance & Director of Finance, Ms Bailey, presented the report and financial statements for the year ended 31st July 2018.

Governors noted that:

- Under its terms of reference the Audit Committee's remit included considering elements of the annual financial statements in the

presence of the external auditors, including the auditors' formal opinion, the statement of members' responsibilities and the statement of internal control in accordance with the funding councils' accounts directions, recommending the annual financial statements to the Board of Governors for approval;

- The Audit Committee had considered the draft Members' Report and Financial Statements for the financial year ended 31st July 2018 at its November 2018 meeting, noting that no adjustments had been made to the outturn as presented in the July 2018 management accounts considered by the Board of Governors at its October 2018 meeting;
- The Audit Committee had noted, at its November 2018 meeting, that the University's external auditors anticipated issuing an unqualified audit opinion in the standard format on the financial statements;
- The Audit Committee was recommending the Members' Report and Financial Statements to the Board of Governors for approval.

The PVC Assurance & Director of Finance confirmed, in response to Governors' questions, that a visual representation of the financial statements would be made available to students and that the signed Members' Report and Financial Statements would be placed on the University website.

The Board of Governors approved, on the recommendation of the Audit Committee, the Members' Report and the Annual Financial Statements for the financial year ended 31st July 2018 for signing by the Chair of the Board of Governors and the Vice-Chancellor: proposed Mr Bagley, seconded Mr Finnigan.

Action: Chair/VC

The Board of Governors' noted that the approved Members' Report and Annual Financial Statements signed by the Chair of the Board of Governors, the Vice-Chancellor, and the external auditors would be submitted to the OfS by the deadline of 3rd December 2018.

Action: PVC Assurance & Director of Finance

- 13.0 Letter of representation to the external auditors. Mr Finnigan, as Chair of the Audit Committee, reported that the Committee had considered the letter of representation to the external auditors at its November 2018 meeting, noting that the text was unchanged from the previous year.

Governors noted that:

- The letter of representation confirmed that, to the best of Governor's knowledge and belief, relevant disclosures had been made to the external auditors, following relevant enquiries e.g. the October 2018 meeting of the Audit Committee had received management representations from the Vice-Chancellor and the PVC Assurance & Director of Finance on breaches of laws and regulations, actual or suspected frauds, and the existence of related party transactions, noting that both had declared that they were not aware of any issues which should be brought to the Board of Governors' attention;
- Individual Governors had also provided year end declarations on related party transactions;
- The University had previously agreed with the external auditors, with reference to Board of Governors' liability, that the letter of

representation should be signed by both the Chair of the Board of Governors and the Vice-Chancellor.

The Board of Governors approved the letter of representation to the external auditors, on the recommendation of the Audit Committee, for signing and submission to the external auditors, KPMG: proposed Mr Bagley, seconded Mr Whitehead.

Action: Chair/VC/PVC Assurance & Director of Finance

- 14.0 Financial commentary.** The PVC Assurance & Director of Finance, Ms Bailey presented for approval and submission to the OfS, financial results tables for 2017-18

Governors noted that:

- The OfS's annual accountability schedule required higher education institutions (HEIs) to submit by 3rd December 2018, a financial commentary which explained any significant variances between the audited financial statements and the forecasts previously submitted in July 2018;
- There was no material difference between the expected and the actual outturn for 2017-18;
- Despite student numbers being lower than forecast, the difference to the operating surplus forecast for 2018/19 submitted in July 2018 was small.

The Board of Governors approved, for submission to the OfS, the financial commentary, proposed Mr Finnigan, seconded Professor Cullen.

Action: PVC Assurance & Director of Finance

- 15.0 Students' Union annual report & accounts.** Governors noted that, under the Education Act 1994, the Board of Governors was responsible for ensuring that the Students' Union was accountable for its finances, including presenting financial reports to the Governors annually.

The PVC Student Experiences & Resources, Professor Russell, presented the Students' Union report and accounts for the year ended 31st July 2018, noting that the former had been prepared by Emma Cook, Students' Union Liaison Officer, and that the latter had been reviewed by the University's finance department.

Governors considered the range of activities undertaken by the Students' Union during 2017/18, noting in particular that:

- The main variances in the budget were due to an increase in freshers' activities and affiliation with British Universities & Colleges Sport (BUCS) (which had been ended from 2018/19 following consultation);
- The adverse variance in relation to Marketing related to non-recurring costs in relation to the Unions' Freshers' guide following the University's change of name to Leeds Arts University;
- The report showed the accuracy of budgeting to actuals;
- The number of roles on the Students' Union Executive had been increased to 12;
- The number of student-led societies had increased;
- There had been a significant increase in activity in 2017/18 and

- subsequent increased student engagement with the Students' Union;
- From 2018/19, a new Students' Union office had been opened which had helped to increase awareness of the Students' Union.

Governors commended the Students' Union on the comprehensive nature of the report and on the activities listed. Governors also congratulated the Students' Union on its National Student Survey scores, which were 12% higher than the creative subjects benchmark and 14% higher than the sector overall.

In response to Governors questions, Ms Ojari, the Students' Union President, reported that:

- The level of resources provided by the University was appropriate and that there was open communication with the PVC Student Experience & Resources should further resources be required,
- The balance sheet was carefully monitored throughout the year with the University's finance department;
- The Student Welfare department provide guidance on accommodation matters to students.

The Board of Governors received the Students' Union report for 2017/18 and approved the Students' Union accounts for the year ended 31st July 2018: proposed Dr Reid, seconded Mr Finnigan.

- 16.0 Internal audit strategic & annual plan.** Mr Finnigan, as the Chair of the Audit Committee, reported that the Committee had considered the draft internal audit strategy and plan for 2018/19 in detail at its October 2018 meeting, agreeing a number of amendments (i.e. the deferral of the treasury management review and an increase in the number of audit days allocated to the cyber security review and the academic quality review), with the amended plan being presented to the Board of Governors for approval.

With reference to the internal audit strategy, Mr Finnigan drew attention to the fact that the University would be going out to tender for internal auditors during spring 2019 and that, depending on discussions with the firm appointed, this might affect the longer term audit strategy e.g. the total number of annual audit days and the internal audit reviews to be undertaken in 2019/20 and subsequent years.

The Board of Governors approved the internal audit strategic and annual plan 2018/19, on the recommendation of the Audit Committee, proposed Mr Bagley, seconded Dr Reid.

- 17.0 Annual Prevent duty report.** The PVC Student Experience & Resources, Professor Russell, reported that the University was required to submit a Prevent duty monitoring return, signed by the Chair of the Board of Governors, to the OfS by the 3rd December 2018.

To enable the Board to have confidence that the University was carrying out its duties in relation to the Prevent duty and managing this area appropriately, a Prevent annual monitoring report had been produced which outlined how the University met the duty between 1st August 2017 and 31st July 2018. Governors considered the report, including the following documents to be submitted to the OfS: Prevent monitoring accountability

statement; Prevent accountability data return.

In response to Governors questions concerning staff and student engagement with the Prevent duty, it was noted in discussion that:

- The University's Prevent staff working group, chaired by Professor Russell as the University's Prevent Lead, met 3 times a year, with representatives of the Students' Union attending as observers;
- Professor Russell also met regularly with the Student Liaison Officer and the Student Union President, attended 3 meetings a year with student representatives, and outlined the University's approach to the Prevent duty to new students.

The Board of Governors received the University's Prevent duty monitoring report 2017/18 and approved the Prevent accountability data return and the accountability statement for signing by the Chair of the Board of Governors and submission to the OfS: proposed Mr Bates, seconded Mr Bagley.

Action: PVC Student Experience & Resources

PART VI - governance matters: items for approval

- 18.0 Addition to the Standing Orders of the Board of Governors.** Governors noted a revision to the Board of Governors Standing Orders to include a procedure setting out the action to be followed by the Clerk and the Board of Governors if the latter was acting inappropriately or beyond its powers.

The Board of Governors discussed how the cost of legal advice to be taken by the Clerk under the procedure would be met, noting that there was already provision for the Clerk to take legal advice at the University's expense.

The Board of Governors approved the proposed addition to the Standing Orders, proposed Mr Flathers, seconded Mr Whitehead.

Action: Clerk

- 19.0 Proposed amendment to minute 3 of the Board of Governors' approved minutes of 21st March 2018.** Governors considered a proposed typographical amendment to the minutes of the Board of Governors meeting held on 21st March 2018.

The Board of Governors approved the amended minutes of 21st March 2018, proposed Mr Flathers, seconded Mr Bagley.

PART VII - reports: for information

- 20.0 Annual Health & Safety Annual Report.** The PVC Student Experience & Resources, Professor Russell, presented the Health and Safety report 2017/18, which had been produced by the University's Health and Safety Officer.

Governors noted that the report, which had been designed to give the Board of Governors assurance that its duties were being met under the terms of the Health and Safety at Work Act 1974, provided an account of the work of the University's Health & Safety Committee, arrangements for first aid, health & safety inductions for staff and students, budget expenditure, portable appliance testing (PAT), incident reporting, reporting of infectious diseases, fire alarms and drills. Professor Russell reported that the report had been

presented to the Health and Safety Committee in October 2018, with the Committee judging the report to be accurate and complete. Governors noted that, while the report recorded that there had been an increase in the number of reported incidents in 2017/18, this reflected an increase in student numbers, with the percentage of incidents in relation to the student population stable over the 3 year period 2015/16 - 2017/18 at approximately 2%. There had been no reportable RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) injuries in 2017/18.

It was noted in response to Governors questions that: first aiders were listed on the portal and reception staff monitored which first aider was present and on duty; the issue of personal irons being used, which had been raised in an internal audit report, had been addressed.

The Board of Governors received the Annual Health & Safety Report 2017/18.

- 21.0 Safeguarding Children & Vulnerable Adults Annual Report.** The PVC Student Experience & Resources, Professor Russell, presented the Safeguarding Children and Vulnerable Adults annual report which set out arrangements, activities and incidents relating to the safeguarding of children and vulnerable adults in 2017/18.

Governors noted that following updated statutory guidance which had been issued in July and September 2018, the University's Children/Young People and Vulnerable Adults Protection Policy had been reviewed and a revised version had been approved by the Board of Governors on the 10th October 2018. It was noted that, while the Department for Education's Keeping Children Safe in Education applied to further education and sixth form colleges, it was appropriate for the University to have regard to its guidance as it had a number of students aged under 18.

Professor Russell noted, in response to members' questions, that staff training on safeguarding has raised awareness of how to make appropriate referrals to the Deputy Safeguard Leads which could have resulted in an increase in safeguarding referrals in 2017/18, all of which had related to mental health issues.

The Board of Governors received the Safeguarding Children & Vulnerable Adults annual report.

- 22.0 Code of Governance & Statement of Primary Responsibilities report.** The Clerk reported that: the June 2015 meeting of the Board of Governors had agreed to adopt the Committee of University Chairs (CUC) Higher Education Code of Governance (2014) (the Code) from 1 August 2015; the Code was premised on an 'apply or explain' basis i.e. a governing body must explain where it considered a whole primary element or a supporting 'must' statement inappropriate.

Governors noted that: the full 2017/18 report against the Code had been considered and approved by the Audit Committee at its November 2018 meeting, which had concluded that the primary elements in the Code and the responsibilities in the Statement had been applied; a summary version of the year-end report was being presented to the Board of Governors, for

information, with the full report against the Code & Statement to be published on the University website.

Action: Clerk

The Board of Governors received the 2017/18 summary report against the Code of Governance & Statement of Primary responsibilities, noting that the primary elements in the Code and the responsibilities in the Statement had been applied.

- 23.0 **Report on use of the seal.** The Board of Governors noted that the seal had not been used since the October 2018 meeting of the Board of Governors.
- 24.0 **Report on Chair's action.** The Board of Governors noted that no Chair's action had been taken since the October 2018 meeting of the Board of Governors.
- 25.0 **OfS Annual Accountability Returns.** The Board of Governors noted that the OfS required HEIs to submit a number of annual accountability returns to enable them to demonstrate accountability for the public funds distributed to them. The various returns covered financial performance, financial sustainability, risk management, control and governance, value for money, the management and quality assurance of data and the quality and standards of academic provision.

Members noted that, shortly after the Board of Governors' meeting on 10th October 2018, the OfS had issued a letter outlining revisions to the returns schedule and returns required, including:

- Both the Transparent Approach to Costing (TRAC) return and the TRAC(T) return to be approved by an independent committee of the Board of Governors or Chair's action in January 2019;
- A reduction in the number of assurances required to be given at Part 3 of the OfS's Annual Assurance Return for Higher Education Institutions concerning Board of Governors' control and management of the charity.

The Board of Governors noted that all relevant reports due to be submitted to the OfS by 3rd December 2018 had been considered earlier on the agenda, with the TRAC return to be submitted by the 31st of January 2019 and the TRAC(T) return to be submitted by 28th February 2019.

- 26.0 **Report on CUC November 2018 plenary.** The Board of Governors noted that the University was a member of the Committee of University Chairs (CUC) and that Dr Reid, an Independent Governor, had attended the November 2018 CUC Plenary on behalf of the Chair of the Board of Governors. Dr Reid presented a brief overview of the event, with areas discussed at the meeting highlighted.

[Confidential minute]

The Board of Governors received a report from Dr Reid on the CUC's November 2018 plenary.

PART VIII - committee reports & minutes: for receipt

27.0 Board of Governors: committee minutes & reports. The following minutes were received.

27.1 Search & Nominations Committee. The Board of Governors received the unconfirmed minutes of the meeting held on 10th October 2018. Mr Flathers, as Chair of the Committee, stated that reports and recommendations had been presented to the Board of Governors' meeting held on 10th Oct. 2018

27.2 Audit Committee. The Board of Governors received the confirmed minutes of the meeting held on 10th Oct. 2018. Mr Finnigan, as Chair of the Committee, stated that reports and recommendations had been presented earlier on the agenda.

27.3 Audit Committee. The Board of Governors received the unconfirmed minutes of the meeting held on 14th Nov. 2018. Mr Finnigan, as Chair of the Committee, stated that reports and recommendations had been presented earlier on the agenda.

PART IX - final matters

28.0 Any other business.

Supplementary questions arising from the Annual Health & Safety report
Governors noted, in response to questions concerning the Annual Health & Safety report 2017/18 considered earlier on the agenda, that: the University promoted healthy eating; the welfare team was able to provide support to students with health problems; the University had a hardship fund.

29.0 Risk Management. It was noted that there were no new items of risk identified at the meeting.

30.0 Date of next meeting: Wed. 23rd January 2019 at 1.30pm

PART X - Reserved Matters

31.0 Exclusions. It was noted that there were no exclusions.

32.0 Reserved Matters minutes of the previous meeting. Governors noted that the Reserved Matters minutes were in the public domain and had been approved at agenda item 3 above

33.0 Any other business. It was noted that there was no other business not already on the agenda.

34.0 Risk Management. It was noted that there were no new items of risk identified at the meeting under the Reserved Matters agenda.

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE MEETING HELD ON WEDNESDAY 23RD JANUARY 2019**

Present: Mr D Bagley (Independent Governor), Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Professor P Cullen (Co-opted Governor), Ms G Edge (elected & co-opted Staff Governor), Mr J Flathers (Senior Independent Governor), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms A Handa (Independent Governor), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/ Student Governor), Mr N Ramshaw (Independent Governor), Dr D Reid (Independent Governor), Professor C Pickles (Independent Governor), Ms K Watson (Independent Governor), Mr D Whitehead (Independent Governor), Professor S Wonnacott (Vice-Chancellor).

In attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

1.0 Apologies for absence.

There were no apologies for absence.

2.0 Declaration of interests & code of conduct report. The following standing declarations of interest were received: Mr Bates (employee, Leeds Arts University); Mr Clements (partner, Deloitte); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Ms Horton (student, Leeds Arts University); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online), Mr Whitehead (employee, Leeds College of Building), Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

PART I - Procedural matters: items for approval

3.0 Minutes of the previous meeting. The minutes of the meeting of the Board of Governors held on 28th November 2018 were approved: proposed Mr Whitehead, seconded Professor Pickles.

4.0 Action plan update & matters arising. Governors considered the action plan attached to the above minutes, noting that actions not already completed were

on the agenda or had a future completion date.

With reference to other matters arising, discussions relating to universities' policies on seeking consent from students in order to reveal mental health or other issues to parents was highlighted, noting that this had been discussed as part of the report on the CUC autumn 2018 plenary given at the Board of Governors' November 2018 meeting.

There were no other matters arising from the minutes.

PART II - CEO's report: items for consideration and monitoring

5.0 **Chief Executive's report.** The Vice-Chancellor, Professor Wonnacott, presented the CEO's report for January 2019. Governors noted, in particular, the following areas covered by the report:

(i) Academic Enrolment, retention and success rates

The Vice-Chancellor reported that: current higher education (HE) undergraduate applications were slightly below target; the conversion of applications to enrolments was being monitored by the University's senior management team (SMT) and Programme Directors; in further education (FE), Foundation Diploma application rates were high, there is an increase in applications to the Extended Diploma compared with the previous year; applications for MAs, Access and Level 2 Diploma courses would be received later in the application cycle; high FE retention rates continued to be maintained.

[Confidential minute]

(ii) Research

Governors noted that: the Pro-Vice-Chancellor (PVC) Academic had met individually with all HE staff to discuss their research profile and preparation for the Research Excellence Framework (REF) 2021 submission; an update would be given at the Governor training session in February 2019; the significant amount of research activity taking place was highlighted.

(iii) Estates

Governors congratulated the University on the opening of the new building at Blenheim Walk, reporting having received positive comments on and interest in the building within the city.

The Vice-Chancellor highlighted the concerted effort of the estates team and other staff into ensuring that, within the short period of time available, the building had been ready for use and reported that feedback has been very positive from both students and staff, especially concerning the new facilities, library and social areas. It was noted that discussions with the contractors on the final account were near completion.

It was noted in response to Governors' questions that: use of the facilities within the new building would be reviewed with reference to plans for the future refurbishment of other spaces within the University; it was anticipated that the facilities in the new build would be fully utilised by the University i.e. lettings would not normally be possible.

It was noted that Governors had received an invitation to the new build opening

ceremony on the 7th February 2019 5.30 - 7.30pm, which would coincide with the opening of the Yoko Ono exhibition.

(iv) Successes

Governors considered and noted the section in the report on student successes, congratulating those involved.

The Board of Governors received the CEO's report for January 2019.

6.0 Key performance indicator (KPI) report. The PVC Assurance & Director of Finance, Sharon Bailey, presented to the Board of Governors the updated strategic KPI report, highlighting that the following information had been modified due to staff turnover:

- 83% of HE Academic Staff had Doctorates and Masters (2022/23 target: 85%);
- 77% of HE Academic Teaching staff had Higher Education Academy (HEA) Fellowships (2022/23 target: minimum 75%).

The Board of Governors received the KPI report.

Part III - Academic Board report: for information

7.0 Academic Board minutes. The Vice-Chancellor presented to the Board of Governors the confirmed draft Academic Board minutes of 19 November 2018, highlighting the following:

- The Chief External Examiner's report had been received and was noted to be positive;
- The HE Annual Quality Report for 2017/18 had been received, with four areas having been identified for focus in 2018/;
- The FE Self-Assessment report for 2017/18 had been approved;
- The annual report on student academic experience, student outcomes and degree standards had been approved for consideration by the Board of Governors and to assist them in completing the Office for Students (OfS) Assurance Return at their Nov. 2018 meeting;
- A report on the closure of BA (Hons) Fashion had been provided to the Academic Board and had provided reassurance that the student experience was being safeguarded;
- A summary of HE final examination and progression board minutes had been considered;
- A summary of HE complaints, appeals and academic misconduct had been considered, with it being noted that the number of academic appeals had decreased.

In response to Governors questions on government and media interest in the proportion of first class degrees being awarded nationally, it was noted that:

- The University awarded a slightly lower number of first class degrees compared to peer institutions but a slightly higher number of combined first and second class degrees;
- The proportion of higher class degrees awarded varied by discipline nationally e.g. there tended to be a higher proportion awarded in relation to fine art degrees;
- Degree classification at the University involved high levels of scrutiny,

including external examiner scrutiny, in relation to marking and moderation (including no discretions in marking where cases were borderline) and there had been no change in the relevant algorithms ;

- The University was confident that its processes led to appropriate degree classifications but was not complacent and would continue to monitor the level of first and second class degrees awarded, noting that the latest benchmark data would be available in Mar. 2019;
- Some of the external concern relating to degree classifications nationally, related to higher education institutions (HEIs) which had seen a significant increase over a short period of time in the percentage of students receiving first class degrees, leading to accusations of grade inflation.

The Board of Governors received the minutes of the Academic Board meeting held on 19th November 2018.

PART IV - Financial & regulatory matters: items for consideration & information

- 8.0 **Financial matters: management accounts.** The PVC Assurance & Director of Finance, Ms Bailey presented the management accounts for the period ending 31st December 2018.

Governors noted that:

- As student numbers had been below budget, tuition fee income was lower than budget, although it had been offset slightly by improved recruitment in FE Overseas and postgraduate students;
- Savings in pay costs had been realised, predominantly due to vacancies;
- The cash position was healthy, although with further new build related costs due, this would be monitored closely;
- Cash reserves remained high as a result of the University drawing down £2m of the revolving credit facility (RCF) in December 2018 as the build reached practical completion.

It was noted in response to Governor's questions that:

- The RCF had been drawn down to fund significant cash outlays in capital equipment and costs related to the new build;
- The PVC Assurance & Director of Finance would provide an analysis of the final account position for the new build against the budgeted costs to the Board of Governors' meeting in March 2019;
Action: PVC Assurance & Director of Finance
- Expenditure on long-term maintenance was expected to be as budgeted but the relatively short window of opportunity for undertaking the work (e.g. the summer vacation) could result in some expenditure falling into the 2019/20 financial year.

The Board of Governors received the management accounts for 31st December 2018.

- 9.0 **Transparent Approach to Costing (TRAC) & TRAC (T) return report.** The PVC Assurance & Director of Finance, Ms Bailey reported that:
- HE institutions (HEIs) reported to the Office for Students (OfS) annually on the costs of their activities under the Transparent Approach to Costing

- (TRAC) system and provided information on the subject related costs of OfS fundable provision via the TRAC (T) system;
- The OfS required the TRAC return to be approved either by an independent committee (e.g. the Audit Committee) of the Board of Governors or under chair's action;
 - Historically, due to timings of committee meetings, responsibility for the approval of the TRAC return and review of the Statement of Requirements and the tests of reasonableness has been delegated by the Board of Governors to the Chair of the Audit Committee in January, with the Audit Committee undertaking the full review at its meeting in March;
 - In October 2018, the OfS had, however, informed institutions that the TRAC (T) return should also be approved by an independent committee of the Board of Governors or under chair's action, with the November 2018 meeting of the Board of Governors delegating this responsibility to the Chair of the Audit Committee using chair's action;
 - Mr Finnigan, as Chair of the Audit Committee, had reviewed the Statement of Requirements and the results compared to the prior year and a discussion on the results, drivers of costs and research had taken place with the PVC Assurance & Director of Finance, with Mr Finnigan confirming that the requirements had been met.

Governors noted that the University's internally funded published research related costs had been separated out to demonstrate the costs involved, with costs based on the total number of research days allocated to those with activity leading to published research.

[Confidential minute]

Governors noted that:

- The TRAC (T) return, a separate return covering the costs of subject specific teaching, had been completed;
- The TRAC (T) process separated out the costs of teaching HE home students (i.e. it excluded FE and overseas students) and calculated a cost per student *[confidential minute]*.

Governors noted in discussion that: the review of costs per student undertaken as part of the TRAC (T) return would be pertinent to the Auger review of post-18 education, including undergraduate tuition fee review.

It was noted in response to Governors' questions that: the University's costs per student were close to the maximum permitted undergraduate tuition fee of £9,250; with reference to the future, the University's cost-base was growing following the new build and introduction of new courses.

The PVC Assurance & Director of Finance reported that the University had taken part in a Department of Education costing study that had been overseen by KPMG, and that the report, if made publicly available, would be presented to the Board of Governors.

Action: PVC Assurance & Director of Finance

It was noted, in response to Governors' questions, that the OfS produced a TRAC and TRAC (T) benchmark analysis report annually, which would be presented to

the Board of Governors in due course.
Action: PVC Assurance & Director of Finance

The PVC Assurance & Director of Finance thanked the Chair of the Audit Committee for reviewing the statement of requirements and tests of reasonableness and for review of the TRAC (T) return.

The Board of Governors completed its review of the Transparent Approach to Costing (TRAC) & TRAC (T) return report, concluding that the University was achieving good value for money and was working efficiently within cost constraints.

The Board of Governors noted that the TRAC return would be submitted to the OfS by the deadline of 31st January 2019, with the TRAC (T) return submitted by 28th February 2019.

Action: PVC Assurance & Director of Finance

- 10.0 Tuition fees 2019-20 excluding FE tuition fees.** The PVC Assurance & Director of Finance presented to the Board of Governors the tuition fees schedule for 2019/20 for international students (undergraduate, postgraduate and FE), Home postgraduate, and full cost Equivalent Level Qualification (ELQ) Home students.

The Board of Governors received, for information, the schedule of tuition fees for 2019/10, excluding FE fees.

PART V - Financial matters: items for approval

- 11.0 FE tuition fees 2019-20.** The PVC Assurance & Director of Finance reported that, under the University's Financial Regulations, the Board of Governors approved the level of tuition fees to be charged to students aged 19+ annually.

Governors noted that the FE funding body, the Education & Skills Funding Agency (ESFA), allowed providers to set fees at any level provided the fees were not above the listed funded grant level set out in the ESFA funding matrix. As the funding matrix for 2019/20 had yet to be published, the PVC Assurance & Director of Finance was proposing that the 2019/20 fee charged to students aged 19+ should be the grant funding per the funding body matrix and that the fee charged to any student who was eligible for co-funding should be the difference between the grant received and the full funding per the matrix i.e. the same funds would be received by the University for each student irrespective of student age or funding, which would ensure that the treatment of learners was fair and equitable.

Governors noted that the TRAC return considered earlier on the agenda had shown that FE courses did not cover their costs. It was noted in response to Governors' questions that:

- The ESFA funding matrix had been at the same level for the previous 3 years and no change was currently anticipated;
- The proposed fees were at the maximum level permitted by the ESFA;
- Advanced Learner Loans were available for adults studying at Level 3, with those progressing to HE having their loan written off;
- There was progression from FE to HE within the University.

As the final fee matrix for 2019/20 was not yet available, the Board of Governors agreed that the basis on which the 2019/20 FE tuition fees for students aged 19+ would be calculated should be as proposed by the PVC Assurance & Director of Finance above, noting that fees would be calculated when the final fee matrix was released, with a report provided to Governors: proposed Mr Whitehead, seconded Ms Handa.

Action: PVC Assurance & Director of Finance

PART VI - items for ratification or approval

- 12.0 Annual FE self-assessment report.** The PVC Student Experience & Resources, Professor Russell, presented the University Further Education Self-Assessment Report (SAR) 2017/18 which had been validated at the Further Education Committee on the 9 November 2018 and approved at the Academic Board on the 19 November 2018. It was noted that the approved SAR, which included a Quality Improvement Plan (QIP), was being presented to the Board of Governors for ratification.

Professor Russell reported that:

- As a provider of FE, the University was subject to Ofsted monitoring and periodic inspection;
- Ofsted's Common Inspection Framework (CIF) had been used as a basis for self-assessing the University's FE provision using the 4 key judgment areas used in the CIF (i.e. Outcomes for Learners the Quality of Teaching Learning and Assessment, Personal Development, Behaviour and Welfare, Leadership and Management), together with a grade for Overall Effectiveness of Provision;
- *[Confidential minute]*;
- The judgment in the SAR took particular account of the institution's specific context as a specialist arts University delivering creative subjects with a focus on student progression to HE in order to build successful careers.

Governors discussed in detail the justification for the individual and overall grades in the University's approved SAR, noting that the report was comprehensive, including both quantitative data and qualitative evidence.

It was noted in response to Governors' questions that:

- While the University was confident in the evidence-base provided in the SAR and that it could justify the SAR grades at inspection, it could not guarantee that inspectors would come to the same conclusion, noting, in this context, that Ofsted was currently consulting on replacing the CIF from September 2019 with the Educational Inspection Framework (EIF) which, it was understood, would focus less on results and more on the quality of provision;
- The Quality Improvement Plan (QIP) attached to the SAR was designed to maintain the self-assessed grades in the SAR and as a tool for continuing improvement.

In response to Governors' questions on the actions in the Leadership and Management section of the QIP, it was noted that the actions indicated areas for further improvement rather than indicating a failure which would undermine the

grade awarded for this area.

Governors questioned whether there was sufficient emphasis on employability and skills development in the report and whether Ofsted would consider work simulation exercises an acceptable alternative to work experience.

Professor Russell reported that:

- While it could be difficult to source meaningful work experience for FE art & design students, the University could provide clear evidence of successful work simulation including competition entries, live briefs and visiting professionals who gave presentations and reviewed student work;
- Some reassurance could be gained from the fact that other institutions which had been graded as Outstanding by Ofsted had taken a similar approach;
- Employability was key to the University's approach and the University could also provide evidence of positive FE student progression, noting also, in this context, that art & design was a graduate profession.

Governors noted that the quality of TLA judgment was a key judgment at inspection and questioned how the Board of Governors could receive reassurances in relation to the University's learning observation processes, given that it did not use a graded system.

Professor Russell reported that:

- Lessons observations were no longer graded, reflecting Ofsted's inspection model;
- Revised observation procedures implemented during 2017/18 had focused on establishing the development of reflective practice and placed an increased emphasis on the effectiveness and impact of teaching and learning strategies on student progress, with individual observation reports outlining areas of strength and areas for development;
- A summary annual report, identifying good practice and areas for improvement, was presented to the Learning Teaching and Enhancement (LTE) and Further Education Committees and disseminated to all staff to share good practice;
- Staff had responded positively to the new system.

Governors also noted, with reference to the effectiveness of TLA, that overall Learner Voice feedback was positive.

The Board of Governors ratified the University's approved FE Self-Assessment Report 2017-18: proposed Mr Bagley, seconded Mr Whitehead.

PART VII - Annual reports: for consideration & information

- 13.0 Human Resources annual report.** The Vice-Chancellor presented the annual report on Human Resource (HR) activity, which had been prepared by the Head of HR and provided an overview of HR activity within the University in relation to the 2017/18 academic year and summarised policy changes, training activity, recruitment activity and absence levels and KPIs relating to these areas. Governors noted, in particular, that staff turnover figures had improved compared to the previous year.

The Board of Governors received the University's 2017/18 HR report.

- 14.0 Freedom of Information annual report.** The Clerk to the Board of Governors presented a report on Freedom of Information (FOI) requests received during the period August 2017 to July 2018. Governors noted that 46 FOI requests had been received during this period, with a significant increase in the number of requests received after August 2017 corresponding with the institution obtaining university title from that date. It was noted that, from October 2018, the responsibility for dealing with FOI requests had passed from the Clerk to the Board of Governors to the University's Compliance Officer, who was also the University's Data Protection Officer.

The Board of Governors received the 2017/18 FOI annual report.

PART VIII - Governance reports: for information

- 15.0 Use of the seal.** It was noted that the seal had not been used since the last meeting of the Board of Governors.
- 16.0 Report on Chair of Corporation's action.** It was noted that no action of the type specified had been taken since the last meeting of the Board of Governors.

PART IX - Committee reports & minutes: for receipt

- 17.0 Board of Governors: committee minutes & reports.** It was noted that there were no minutes to receive under this item.

PART X - Documents/links from outside bodies: for information

- 18.0 Documents/links from outside bodies e.g. from the DfE, OfS, CUC.** It was noted that there were no documents/links to receive under this item.

PART XI - Final matters

- 19.0 Any other business.**

(i) New courses

The PVC Assurance & Director of Finance reported, in response to Governors' questions on new courses, that: retention was good; applications were around the target level, with twice as many applications received to date compared to the previous year.

- 20.0 Risk Management.** It was noted that no new items of risk had been identified at the meeting.

- 21.0 Dates of next meetings.** It was noted the Board of Governors was next due to meet on:

- Wed. 27 Feb. 2019 at 1.30pm at 1.30pm (Governor training event);
- Wed. 20 Mar. 2019 at 1.30pm (scheduled Board meeting).

PART XII - Reserved matters

- 22.0 **Exclusions.** The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms M Ojari (Students' Union President/Student Governor), Ms A Horton (elected Student Governor), Mr F Bates (Governor nominated by the Academic Board), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Professor R Whittaker (Pro-Vice-Chancellor Academic) and Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance).

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE EXTRAORDINARY MEETING HELD ON
WEDNESDAY 27TH FEBRUARY 2019**

Present: Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Professor P Cullen (Co-opted Governor), Ms G Edge (elected & co-opted Staff Governor), Mr J Flathers (Senior Independent Governor), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/ Student Governor), Dr D Reid (Independent Governor), Professor C Pickles (Independent Governor), Professor S Wonnacott (Vice-Chancellor)

In

attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

1. **Apologies for absence** Apologies were received from Mr D Bagley (Independent Governor), Ms A Handa (Independent Governor), Mr N Ramshaw (Independent Governor), Ms K Watson (Independent Governor), and Mr D Whitehead (Independent Governor).
2. **Declarations of interest.** The following standing declarations of interest were received: Mr Bates (employee, Leeds Arts University); Mr Clements (partner, Deloitte); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Ms Horton (student, Leeds Arts University); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online); Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

PART I - Items for approval

3. **Minutes of the previous meeting & action plan.** The Board of Governors noted that, as the meeting was an Extraordinary meeting, the minutes of the previous meeting were not due to be considered for approval.

PART II - Finance matters: for review &/or approval

4. **Management accounts/commentary & statement by the Board of Governors to be**

submitted to the bank. The PVC Assurance & Director of Finance, Ms Bailey presented the management accounts for the period ending 31st January 2019, reporting that the University had drawn down £2m of the revolving credit facility (RCF) in Dec. 2018.

Governors noted that, under the terms of the RCF agreement, half-yearly management accounts to be submitted to the bank had to be accompanied by a signed statement from the Director of Finance and a statement from the Board of Governors signed by the Chair of the Board of Governors and the Vice-Chancellor.

Governors considered the management accounts for the 6 months to the 31st January 2019, the commentary and the proposed statement to the bank from the Board of Governors.

Governors noted, with reference to the management accounts, that:

- The operating surplus was currently better than budget due to savings in payroll and timings of non-pay expenditure;
- The new build costs had been capitalised and the project had come in under budget;
- The fixed cost base would be monitored now the new build was complete;
- As noted above, £2m of the revolving credit facility (RCF) had been drawn down in December 2018 as the new build reached practical completion;
- Fixed assets had increased, following the completion of the new build;
- Cashflow remained strong;
- There has been a substantial investment in equipment for the new courses.

In response to Governors questions it was noted that:

- The projection for the year on non-staff costs, including equipment and maintenance, was below forecast;
- With reference to refurbishment of the earlier building at Blenheim Walk, some of the refurbishment work might be completed in the summer and therefore fall into the 2019/20 financial year;
- With reference to the reduction in the cash position in 2020/21, it was likely that the University's financial strategy and cashflow forecast would both need to be reviewed following publication of the Augar review and consideration of this by the Government [*confidential minute*].

The Board of Governors received the management accounts for 31st January 2019 and approved the statement to be submitted to the bank, with the management accounts, under the terms of the revolving credit facility agreement, together with a signed statement from the Pro-Vice-Chancellor Assurance & Director of Finance: proposed Ms G Edge, seconded Mr J Flathers.

Action: Chair/Vice-Chancellor/PVC Assurance & Director of Finance

PART III: Final matters

5. Any other item(s) of urgent business. Mr Flathers left the meeting.

(i) Search and Nomination Committee: Governor term of office

In the absence of Mr Flathers, Chair of the Search & Nominations Committee, Mr Clements (a Search & Nominations Committee member) reported that it had been noted at an Extraordinary meeting of the Search and Nomination Committee, which had taken place earlier on the 27th February 2019, that Mr J Flathers' agreed date of retirement from the Board of Governors was the 24th November 2019 or on the

completion of the new build, whichever was earlier.

Governors noted that, while the new building was now formally open, the Committee was recommending that Mr J Flathers term of office as an Independent Governor should be extended to the 31st July 2019 in order to retain Mr Flathers' skills during this period and to aid succession planning to the vacancy for an Independent Governor which would be created with the ending of his term of office.

The Board of Governors agreed, on the recommendation of the Search & Nominations Committee, that Mr J Flathers' term of office should be extended to the 31st July 2019: proposed Mr J Finnigan, seconded Dr D Reid.

[Confidential minute]

Mr Flathers returned to the meeting.

6. **Risk management.** It was noted that no new items of risk had been identified at the meeting.
7. **Date and time of next meeting.** It was noted that the Board of Governors was next due to meet on Wed. 20 March at 1.30 noon. The Chair of the Board of Governors, Mr Clements, sent apologies for the meeting, which would be chaired by the Deputy Chair, Mr Finnigan.

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE MEETING HELD ON
WEDNESDAY 20TH MARCH 2019**

Present: Mr F Bates (Governor nominated by the Academic Board), Professor P Cullen (Co-opted Governor, education), Ms G Edge (elected & co-opted Staff Governor), Mr J Flathers (Senior Independent Governor), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms A Handa (Independent Governor), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/ Student Governor), Mr M Ramshaw (Independent Governor), Dr D Reid (Independent Governor), Professor C Pickles (Independent Governor), , Derek Whitehead (Independent Governor), Professor S Wonnacott (Vice-Chancellor).

In attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

1.0 Apologies for absence. Apologies were received from Mr C Clements (Independent Governor, Chair of the Board of Governors), Ms K Watson (Independent Governor) and Mr D Bagley (Independent Governor). In the absence of Mr Clements, Mr Finnigan (Deputy Chair of the Board of Governors) chaired the meeting.

2.0 Declaration of interests & code of conduct report. The following standing declarations of interest were received: Mr Bates (employee, Leeds Arts University); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Mr Flathers (partner, Irwin Mitchell); Ms Horton (student, Leeds Arts University); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online); Mr Ramshaw (employee (Managing Director), Thompson Brand Partners); Dr Reid (Director of Bank Saderat plc and an Independent member of the probate (regulatory) committee of the Institute of Chartered Accountants of England and Wales); Mr Whitehead (employee (CEO & Principal) Leeds College of Building; Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers'

Association Board member).

PART I - Procedural matters: items for approval

- 3.0 **Minutes of the previous meeting.** The minutes of the meeting of the Board of Governors held on 23rd January 2019 were approved: proposed Dr Reid, seconded Mr Flathers.

The Deputy Chair of the Board of Governors asked for the minutes to record the Board of Governors' thanks to the Vice-Chancellor, staff and students in relation to the opening event for the University's new building, including the Yoko Ono exhibition, with thanks also given to students from the Royal Northern College of Music for their participation in the event.

- 4.0 **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that actions not already completed were on the agenda or had a future completion date.

Governors noted with reference to the action table that:

- The Clerk would circulate e-mail instructions on how to access and complete the Governor self-assessment on eStudio (action 6);
- The 2019/20 ESFA fees matrix was unchanged and therefore further education (FE) fees for 2019/20 for students aged 19+ were also unchanged from 2018/19 (action 12).

Action: Clerk

It was noted in response to members' questions, that:

- The University already charged the maximum fees permitted by the ESFA for its further education (FE) courses;
- The meeting schedule for the Board of Governors and committee meetings was dependent, in part, on the Office for Students (OfS) schedule of requirements which had not been confirmed.

There were no other matters arising from the minutes.

- 5.0 **Minutes of the previous meeting.** The minutes of the meeting of the Board of Governors held on 27th February 2019 were approved: proposed Dr Reid, seconded Mr Flathers.

- 6.0 **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that the action arising from the meeting had been completed.

PART II - CEO's report: items for consideration and monitoring

- 7.0 **Chief Executive's report.** The Vice-Chancellor, Professor Wonnacott, presented the CEO's report for March 2019. Governors noted, in particular, the following areas covered by the report:

(i) Academic Enrolment, retention and success rates

The Vice-Chancellor reported that: current higher education (HE) undergraduate applications were approaching target numbers; all of the MA courses had started receiving applications; the conversion of applications to

enrolments was being monitored by the University's senior management team (SMT) and Programme Directors; in further education (FE), Foundation Diploma applications were at a similar level to last year, there had been an increase in applications to the Extended Diploma compared with the previous year; high FE retention rates continued to be maintained.

(ii) Research

The significant amount of research activity taking place was highlighted.

(iii) Estates

Governors noted that an agreement had been made with the new build contractors regarding the final account, which was detailed in the management accounts commentary.

With reference to the decision taken at the July 2016 Board of Governors' meeting that any Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) events should be included in the CEO's report, the Governors considered and noted that a RIDDOR report had been made to the Health & Safety Executive (HSE) in January 2019. The HSE had not contacted the University since the report had been submitted.

(iv) Successes

Governors considered and noted the section in the report on student successes, congratulating those involved.

Governors congratulated the University on having been shortlisted in 4 categories at the Whatuni Student Choice Awards 2019.

The Board of Governors received the CEO's report for March 2019.

- 8.0 **Key performance indicators (KPIs) - March 2019.** The PVC Assurance & Director of Finance, Ms Bailey, presented the updated strategic KPI report, highlighting that, following the release of the Higher Education Statistics Agency (HESA) non-continuation data for young full time first degree entrants, the university's non-continuation rate was shown as 4.8%. Governors noted that, while the non-continuation rate had increased from the exceptionally low rate of 1.9% recorded for the previous year, it was still below the benchmark of 5.7%.

The Board of Governors received the March 2019 KPI report.

Part III - Academic Board report: for information

- 9.0 **Academic Board report.** Governors noted that as the Academic Board had met on 13th March 2019, the minutes were scheduled to be presented to the June 2019 meeting of the Board of Governors.

Action: Clerk

PART IV - Financial matters: items for review

- 10.0 **Financial matters: management accounts.** The PVC Assurance & Director of Finance, Ms Bailey presented the management accounts for the period ending 28th February 2019.

Governors noted that:

- As student numbers had been slightly below budget, tuition fee income had been lower, although this had been offset slightly by improved recruitment in FE overseas and postgraduate students;
- Savings in pay costs had been realised, predominantly due to staggered recruitment;
- The cash position was healthy, with the final account for the new build confirmed as below budget;
- The forecast for long-term maintenance had been reduced for 2018/19, as agreed.

[Confidential minute]

The Board of Governors considered and received the management accounts for the period ending 28th February 2019.

11.0 Financial Regulation section 5.2 (lowest quote) report. The PVC Assurance & Director of Finance presented a report on 4 recent instances where 3 written quotations had not been received for goods, services and contracts required under the University's Financial Regulations section 5.2.

Governors noted that: the handover of the new build project in December 2018 had provided the University with a very short period of time in which to furnish and fit out the new building, which had been further reduced by the Christmas closedown of contractors and suppliers; this situation had led in some instances to the direct appointment of a small number of contractors for some fit out elements of the project to ensure the building would open on time, which had meant that the 3 written quotations required under the University's Financial Regulations had not been obtained.

The PVC Assurance & Director of Finance reported, in response to Governors' questions, that the cost of the contracts involved, which were shown in the report, were very significantly below the procurement level requiring advertisement in OJEU.

The Board of Governors received a report on compliance with section 5.2 of the University's Financial Regulations.

PART V - Financial and audit matters: for approval

12.0 Contract for Multifunctional and Print Devices Contract Period: 1st April 2019 - 31st March 2023. The PVC Assurance & Director of Finance presented a report under section 5.6 (Purchasing Arrangements) of the University's Financial Regulations which required that all contracts or orders entered into on behalf of the University of £100,000 and over be authorised by the Vice-Chancellor after obtaining the approval of the Board of Governors.

Governors noted that the University had recently undertaken a mini competition using the Crown Commercial Services (CCS) framework; suppliers had been requested to provide details of the equipment they were offering, implementation plans, service and maintenance proposals, added value, contract management and costs. The main evaluation weightings for the tender had been set at a 50%/50%

split with 50% cost and 50% quality. The University had undertaken a thorough evaluation process of the bids returned. This had included the individual review and scoring of proposals by the Procurement Consultant, Head of Finance and Head of IT.

Upon completion of the tender evaluation process, XMA, which was the University's existing provider of multifunctional and print devices, had scored the highest, being the most competitive bidder on cost and the strongest bidder on quality.

The Board of Governors approved the award of the contract for multifunctional and print devices to XMA: proposed Ms Handa, seconded Dr Reid.

13.0 Appointment of external auditors. The Chair of the Audit Committee presented to the Board of Governors a recommendation on the appointment of the external auditors, the University having recently undertaken a mini competition using the Crescent Purchasing Consortium (CPC) framework for external audit services.

Governors noted that, at an Extraordinary meeting of the Audit Committee held on the 27th February 2019, the Committee had considered a report from the University's interviewing panel which had noted that, upon completion of the tender evaluation process KPMG had scored highest and had therefore been identified as the preferred supplier for external audit services. The Audit Committee had noted that KPMG was the existing provider of the University's external audit service and that the interviewing panel's opinion was that, although not the most competitive bidder on cost, KPMG had been the strongest bidder on quality and, with strong credentials in the University external audit market place, could provide significant additional value and would also be able to offer advisory work, if required. The Chair of the Audit Committee reported that the Committee was satisfied that the added value from KPMG made them the preferred supplier.

[Confidential minute]

The Board of Governors approved, on the recommendation of the Audit Committee, the appointment of KPMG as the supplier of external audit services to the Board of Governors: proposed Dr Reid, seconded Mr Whitehead.

14.0 Appointment of internal auditors. The Chair of the Audit Committee presented to the Board of Governors a recommendation on the appointment of the internal auditors, the University having recently undertaken a mini competition using the Crescent Purchasing Consortium (CPC) framework for internal audit services.

Governors noted that, at an Extraordinary meeting of the Audit Committee held on 27th February 2019, the Committee had considered a report from the University's interviewing panel which had noted that, upon completion of the tender evaluation process HWCA had scored highest and had therefore been identified as the preferred supplier for internal audit services. The Audit Committee had noted that HWCA had a track record of providing internal audit services within the HE and FE sectors and, although not the most competitive bidder on cost, that the panel had considered that they were the strongest bidder on quality and had demonstrated an excellent understanding of the emerging challenges in the sector, particularly in IT, cyber security and GDPR.

[Confidential minute]

The Board of Governors approved, on the recommendation of the Audit Committee, the appointment of HWCA as the supplier of internal audit services to the Board of Governors: proposed Mr Ramshaw, seconded Dr Reid.

- 15.0 **Amendment of the 2018/19 internal audit plan.** The Chair of the Audit Committee presented to the Board of Governors an amendment to the 2018/19 internal audit plan that had been approved at the November 2018 Board of Governors meeting on the recommendation of the Audit Committee.

The Audit Committee had noted in discussion at an Extraordinary meeting of the Committee held on the 27th February 2019 that:

- The approved 2018/19 internal audit plan had included 3 days to be allocated to a Health & Safety review which would consider arrangements in place for managing health and safety at the University, including a review of policies, training, communication, reporting, compliance and recording;
- The University was, however, currently employing an external consultant to carry out a full health and safety review including the above areas, which could result in changes to the University's policies and practice;
- As a result, it appeared to be appropriate to defer the 3-day Health & Safety internal audit review, scheduled as part of the 2018/19 internal audit, to 2019/20, so that the implementation of any recommendations arising from the consultant's review could be considered by the internal auditors;
- The Committee was proposing that, if the Board of Governors were to accept its recommendation that the Health & Safety internal audit review should be deferred, the 3-day Bursaries and Learner Support review, scheduled for 2019/20, should be included in the 2018/19 internal audit plan.

The Board of Governors approved, on the recommendation of the Audit Committee, the proposed amendments to the 2018/19 internal audit plan: proposed Mr Whitehead, seconded Ms Edge.

PART VI - Reports: for information

- 16.0 **Annual Equality, Diversity & Inclusion Report 2017/18.** The Pro-Vice-Chancellor Student Experience & Resources, Professor Russell presented the University's Equality, Diversity and Inclusion (EDI) Report 2017/18, which summarised staff and student data according to protected characteristics, and sought to provide assurance to Governors that equality and diversity was effectively managed within the University.

The Pro-Vice-Chancellor Student Experience & Resources reported that:

- The report had been generated using the appropriate data sources and according to the categories prescribed by external bodies, including HESA and the ESFA;
- While data used in the 'About our students' section included the whole student community, data regarding participation, continuation and attainment was recorded for Home and EU undergraduate students only i.e. excluding overseas students;
- The report stated the differences between groups in terms of continuation and attainment, with continuation being the percentage of students who

progressed into the second year of their course whilst attainment was defined by the OfS as the percentage of students who achieved a 2:1 or 1st class honours degree;

- Considering the 'gaps' in the above rates provided a particular EDI perspective allowing the University to monitor any differences between groups, with ethnicity and disability key areas for consideration;
- Data regarding the retention and achievement of FE students by protected characteristics was reported in detail in the University's FE Self Assessment Report;
- Data in the report had been considered in various iterations during the year by the University's EDI Committee, with the Committee noting that the University had continued to employ more females than males and with mostly white ethnicity, a trend that was reflected in the student body both in the University and elsewhere in the sector;
- The report showed that there had been some positive but small developments e.g. the Black & Minority Ethnic (BME) Home and EU student population had risen by 2% i.e. from 8% to 10%;
- It was anticipated that both BA (Hons) Filmmaking and BA (Hons) Popular Music, which both started in 2018/19, would have a positive impact on gender balance over time;
- The proportions of staff and students who had declared a disability remained higher than average which might be due to the emphasis placed upon this by the University and the use of its diagnostic testing process;
- The report included stories showing how the University celebrated diversity and details of relevant research undertaken by staff.

Governors considered the report, agreeing that the new format was useful to readers, accessible, and attractive.

It was noted in response to Governors questions that:

- The high percentage of staff who had recorded their sexual orientation as 'unknown/refused' was not uncommon within the sector, with students more willing to disclose;
- Data was collected at recruitment for staff and enrolment for students, with information provided on why the data was being collected;
- The University ensured that EDI training was accessible for all members of staff, including part-time staff, with days and times of training sessions varied, sessions repeated, and online training offered;
- While the EDI Committee considered longitudinal data, comparisons had been kept, for example, to 2 years in the report on the grounds of readability and accessibility;
- Publishing data on protected characteristics was a requirement of the Equality Act 2010 and the final version of the EDI report would be made available on the University website;
- With reference to ensuring the confidentiality of individual's personal data when publishing equality and diversity data, very small numbers would be presented as zero, using the HESA randomisation and anonymisation methodology, which could affect the presentation of data collected from small groups e.g. the Board of Governors;
- The Board of Governors' Search & Nominations Committee received reports on equality and diversity with reference to Board composition, Governor recruitment and succession planning and Governor ethnicity had recently

been considered as part of an internal audit review of Governor recruitment and training;

- The PVC Student Experience & Resources would consider including, as part of the narrative of future reports, how the Board of Governors considered protected characteristics e.g. through the work of its Search & Nominations Committee.

Action: PVC Student Experience & Resources

Ms Handa, who had worked with other public bodies to improve disclosure rates, emphasised the need to put in place different processes for different groups to encourage disclosure, as well as providing clarity about why data was being collected.

The Board of Governors received the Annual Equality, Diversity & Inclusion Report 2017/18.

PART VII - Governance matters: items for information

- 17.0** **Access & Participation Plan 2020/24 update.** The Pro-Vice-Chancellor Student Experience & Resources, Professor Russell, presented an update on the Access and Participation Plan 2020/24. It was noted that the OfS had issued some guidance on the development of the plan, with the Pro-Vice-Chancellor Student Experience & Resources and the Vice-Chancellor attending an OfS event on the 21st March 2019, which would provide further detail.

Governors noted that the main features of the OfS's new approach that had already been outlined included:

- 5-year plans with annual monitoring against milestones rather than through an annual plan;
- Greater attention being given by the OfS to those institutions which were not considered to be making progress against their plan;
- Institutions no longer setting targets according to self-determined priorities but expected to target groups that the OfS had identified as priorities, to be agreed against institutional data provided by the OfS and alongside national benchmarks;
- In general, however, the groups being prioritised appeared to be those with which the University was already working e.g. low participation postcodes/low socio-economic group, mature, BME, those with a disability, care leavers.

It was noted in response to Governors' questions that the results of annual monitoring against Access & Participation Plan targets undertaken by the University would be presented to the Board of Governors.

Action: PVC Student Experience & Resources

The Board of Governors received the Access & Participation Plan 2020/24 update.

- 18.0** **Code of Practice on Freedom of Speech & Expression.** The Clerk to the Board of Governors presented a report to the Board on the Code of Practice on Freedom of Speech & Expression (the Code).

Governors noted that section 6 of the Code required it to be reviewed at intervals

not exceeding 3 years, in acknowledgement of the University's duty under subsection 3 of section 43 of the Education (No.2) Act 1986 to issue and to keep the Code up to date. As the last substantive revision of the Code was in January 2016, the 3 yearly, review was due in Spring 2019. The Clerk had, however, recently been informed by Eversheds Sutherland that they would be issuing a slightly revised model Code shortly.

The Board of Governors agreed that the 3 yearly review of the University's Code of Practice on Freedom of Speech & Expression be deferred to summer 2019 to allow any changes to be recommended by Eversheds Sutherland to be taken into account as part of the review.

Action: Clerk

19.0 Board of Governors' Standing Orders. The Board of Governors undertook its annual review of its Standing Orders. The Clerk reported that the Board had approved revisions to its Standing Orders on 6th June 2018, 10th October 2018 and 28th November 2018, with no further revisions currently being proposed.

Governors completed its review of its Standing Orders and agreed that they should be amended to reflect the current house style i.e. 'he/she' and 'his/her' should be replaced with 'they' and 'their', with the amended version returned to the June 2019 Board of Governors' meeting.

Action: Clerk

20.0 Standing report on use of the University seal and Chair's action. The Clerk reported that the University seal had not been used and no Chair's action had been taken since the previous meeting.

PART VIII - Documents/links: items for information

21.0 Documents/links from the DfE, OfS, CUC &/or other outside bodies. The Board of Governors received the following documents/links from the OfS and other outside bodies:

- *Independent Review of the Financial Reporting Council (FRC)* (December 2018) led by Sir John Kingman.
- *Understanding the impact of income cross-flows on financial sustainability in the UK higher education sector* (February 2019).

PART IX - Committee reports & minutes: for receipt

22.0 Board of Governors: committee minutes & reports. The Board of Governors received:

- (i) The unconfirmed Extraordinary Audit Committee meeting minutes of 27th Feb. 2019; and
- (ii) The unconfirmed Extraordinary Search & Nominations Committee meeting minutes of 27th Feb. 2019.

PART X - Final matters

23.0 Any other business.

(i) New Building

The Vice-Chancellor reported that the University's new building had been shortlisted for the RIBA Yorkshire awards 2019. Mr Flathers reported that images of Leeds Playhouse had featured at the recent MIPIM annual property event held in Cannes and suggested that the University might wish to consider whether the University's new building should also be represented.

(ii) Professor Shirley Congdon

Governors agreed that a letter of congratulations should be sent from the Vice-Chancellor and from the Chair of the Board of Governors to Professor Congdon, a former member of the Board of Governors, on her appointment from 2019/20 as Vice-Chancellor of the University of Bradford.

Action: Vice-Chancellor/Chair of Board of Governors

24.0 **Risk Management.** No new items of risk had been identified.

25.0 **Date of next meetings.** It was noted that the Board of Governors was next scheduled to meet on:

- Wed. 1st May 2019 at 3.30pm (Governors & Executive meeting followed by dinner at 6.00pm)
- Wed. 5th June 2019 (Board meeting) at 1.30pm

PART XI - Reserved Matters

26.0 **Exclusions.** The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms M Ojari (Students' Union President/Student Governor), Ms A Horton (elected Student Governor), Mr F Bates (Governor nominated by the Academic Board), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Professor R Whittaker (Pro-Vice-Chancellor Academic) and Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance).

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE EXTRAORDINARY MEETING HELD ON
WEDNESDAY 1ST MAY 2019**

Present: Mr D Bagley (Independent Governor), Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Professor P Cullen (Co-opted Governor), Ms G Edge (elected & co-opted Staff Governor), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms A Handa (Independent Governor), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/ Student Governor), Professor C Pickles (Independent Governor), Dr D Reid (Independent Governor), Mr Whitehead (Independent Governor) and Professor S Wonnacott (Vice-Chancellor).

In

attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), and Professor R Whittaker (Pro-Vice-Chancellor Academic).

1. **Apologies for absence.** Apologies were received from Mr J Flathers (Senior Independent Governor), Mr N Ramshaw (Independent Governor) and Ms K Watson (Independent Governor).
2. **Declaration of interests & code of conduct report.** The following standing declarations of interest were received: Mr Bagley (Council member, University of Sheffield, Gradcore Limited), Mr Bates (employee, Leeds Arts University); Mr Clements (partner, Deloitte); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Mr Flathers (partner, Irwin Mitchell); Ms Horton (student, Leeds Arts University); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online); Mr Ramshaw (employee (Managing Director), Thompson Brand Partners); Dr Reid (Director of Bank Saderat plc and an Independent member of the probate (regulatory) committee of the Institute of Chartered Accountants of England and Wales); Ms Watson (Artistic Director, East Street Arts, Leeds); Mr Whitehead (employee (CEO & Principal) Leeds College of Building); Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

PART I - Items for approval

3. **Minutes of the previous meeting & action plan.** Governors noted that, as the meeting was an Extraordinary meeting, the minutes of the previous meeting were not due to be considered for approval.

PART II - Membership matters: for approval

4. **Appointment/re-appointment of co-opted committee members.** The Board of Governors noted that according to the membership terms approved by the Board for the Audit Committee and Remuneration Committee, one member of each committee was permitted to be an external co-opted member.

Governors considered the following reports and recommendations:

- Mr L Fox had been appointed by the Board of Governors as a co-opted Audit Committee member for an initial period of 12 months from 25th April 2018;
- The Search & Nominations Committee had agreed at its October 2018 meeting that a recommendation to the Board of Governors on the re-appointment of Mr Fox should be subject to a satisfactory reference from the Chair of the Audit Committee, Mr Finnigan, which had been provided;
- The February 2019 meeting of the Search & Nominations Committee had considered the CV of Ms S Heidinger, a Fellow of the Chartered Institute of Personnel and Development and the Director of Human Resources at the University of Strathclyde, and had agreed that she should be appointed as a co-opted Remuneration Committee member, subject to interview;
- Ms A Handa, Vice-Chair of the Search & Nomination Committee, reported that Ms Heidinger had been interviewed by teleconferencing by 2 members of the Committee earlier on 1st May 2019, with an Extraordinary meeting of the Committee held following the interview agreeing to recommend to the Board of Governors the appointment of Ms S Heidinger as a co-opted member of the Remuneration Committee.

The Board of Governors resolved that:

- Mr L Fox should be re-appointed as a co-opted member of the Audit Committee for a further 3 years: proposed Professor Cullen, seconded Dr Reid;
- Ms S Heidinger should be appointed as a co-opted member of the Remuneration Committee for 4 years: proposed Mr Whitehead, seconded Mr Finnigan.

PART III - Finance matters: for consideration

5. **OfS student recruitment forecasts & financial viability & sustainability report.** The Pro-Vice-Chancellor Assurance & Director of Finance presented to the Board of Governors a letter received from the Office for Students (OfS) which stated the expectation of the OfS that the letter and its annex (which included data from the financial and student number forecasts 2018-19 to 2021-22) should be discussed by governing bodies with reference to their own forecast assumptions, risk in relation to student recruitment and fee income targets, and contingency planning.

Governors noted that the annex attached to the OfS letter, stated that HE providers were facing considerable uncertainty and challenge from a number of directions: the UK's future relationship with the EU; potential changes in government policy following the review of post-18 education funding; a short-term decline in the 18 year old population; increasing cost pressures; and the impact of a more competitive

higher education environment.

It was also noted that the OfS report had concluded that, at sector level, growth aspirations and related fee income would be challenging to achieve and at provider level, there was an elevated risk where financial viability and sustainability or investment plans were underpinned by a reliance on growth ambitions.

The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented to the Board of Governors a detailed analysis of the financial viability and sustainability of the University with reference to the University's projections for student numbers.

[Confidential minute]

Governors noted that, while the reported data indicated strong recruitment for 2019/20, the market remained highly competitive e.g. there had been a significant increase in unconditional offers given by other institutions. It was noted, in this context and with reference to the University's positive acceptance rate, that the University had not lowered its tariff and only made unconditional offers to students who already had the required grades for university entry. A table showing how the University's acceptance rates compared with competitor institutions was noted.

It was noted that the report from the Pro-Vice-Chancellor Assurance & Director of Finance recorded that: the University remained in a solid financial position *[confidential minute]*, with the financial commentary accompanying the financial plan to be presented to the Board of Governors in July 2019, transparent as to the assumptions and contingencies included in the plan.

The Board of Governors considered and received a report from the OfS on sector financial viability and sustainability and a report from the Pro-Vice-Chancellor Assurance & Director of Finance which considered the financial viability and sustainability of the University within the context of the OfS report.

PART IV: Final matters

6. **Any other item(s) of urgent business.** There were no other items of business not already on the agenda.
7. **Risk management.** No new items of risk were noted.
8. **Date and time of next meeting.** It was noted that the Board of Governors was next scheduled to meet on Wednesday 5th June at 1.30pm.



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE MEETING HELD ON
WEDNESDAY 5TH JUNE 2019**

Present: Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Professor P Cullen (Co-opted Governor, education), Ms G Edge (elected & co-opted Staff Governor), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms M Ojari (Students' Union President/ Student Governor), Dr D Reid (Independent Governor), Ms K Watson (Independent Governor), Derek Whitehead (Independent Governor), Professor S Wonnacott (Vice-Chancellor).

In

attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

- 1.0 **Apologies for absence.** Apologies were received from Mr D Bagley (Independent Governor), Mr J Flathers (Senior Independent Governor), Ms A Handa (Independent Governor), Ms A Horton (elected Student Governor), Professor C Pickles (Independent Governor) and Mr N Ramshaw (Independent Governor).
- 2.0 **Declaration of interests & code of conduct report.** The following standing declarations of interest were received: Mr Bates (employee, Leeds Arts University); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Dr Reid (Director of Bank Saderat plc and an Independent member of the probate (regulatory) committee of the Institute of Chartered Accountants of England and Wales); Mr Whitehead (employee (CEO & Principal) Leeds College of Building; Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

PART I - Procedural matters: items for approval

- 3.0 **Minutes of the previous scheduled meeting.** The minutes of the meeting of the Board of Governors held on 20th March 2019 were approved: proposed Dr Reid, seconded Mr Whitehead.
- 4.0 **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that actions not already completed were on the agenda or had a future completion date. Governors noted that the DfE costing study had been circulated to all members by e-mail, as requested.

There were no other matters arising from the minutes of the meeting of the Board of Governors held on 20th March 2019.

5.0 **Minutes of an extraordinary meeting.** The minutes of the Extraordinary meeting of the Board of Governors held on 1st May 2019 were approved: proposed Dr Reid, seconded Professor Cullen.

6.0 **Action plan update & matters arising.** Governors noted that there were no actions and no matters arising from the minutes of the Extraordinary meeting of the Board of Governors held on 1st May 2019.

PART II - CEO's report: items for consideration and monitoring

7.0 **Chief Executive's report.** The Vice-Chancellor, Professor Wonnacott, presented the CEO's report for June 2019. Governors noted, in particular, the following areas covered by the report:

(i) The Complete University Guide

The Vice-Chancellor reported that:

- The Complete University guide was freely available online and included 131 institutions;
- The University's overall score had increased from the previous year and it had been ranked sixth for Student Satisfaction in the UK and featured in the top ten for Student-Staff Ratio;
- Its overall ranking was, however, lower than in the previous year and it remained difficult for the University to rank highly against the criteria used as it would not have research data which could be taken into account until after submission to the Research Excellence Framework (REF) and did not have its own student accommodation, which counted towards expenditure.

(ii) Whatuni Student Choice Awards

The Vice-Chancellor reported that the University had won the Whatuni Student Choice Award for Best Facilities 2019 (the third time in 6 years that it had received this award), had been ranked second for Student Support and sixth for overall University of the Year. Governors congratulated the University on this very positive result.

(iii) Academic enrolment, retention and success rates

The Vice-Chancellor reported, with reference to applications and acceptances, that:

- Current higher education (HE) undergraduate acceptances from Home/EU students were on target;
- All MA courses had started receiving applications, although it remained early in the application cycle;
- The application cycle for international students was later than the cycle for Home students but the University was already receiving acceptances and expected to be close to target;
- In further education (FE), Foundation Diploma applications were at a similar level to last year, there had been an increase in acceptances for the Extended Diploma compared with the previous year and the Access to HE Diploma course has begun to receive applications;
- It had been decided not to offer the one year Level 2 Diploma to new students due to low recruitment, with interest in this type of provision to be managed through outreach and summer/Easter school work leading to direct placement

on the Access to HE Diploma;

- As a result of the above change, FE student numbers would be lower in 2019/20, which was reflected in the budget;
- The conversion of applications to enrolments was being closely monitored by the University's senior management team (SMT) and Programme Directors.

Governors noted that:

- HE retention remained good;
- In FE, retention was 1.2% lower overall when compared to the same point in 2018, although it remained high at 94.3%;
- Retention continued to be closely monitored.

(iv) Research

Governors noted that:

- A significant amount of research activity was recorded in the report;
- The University was engaging with Research England in preparation of its first submission to the Research Excellence Framework;
- The University had formally submitted its REF Code of Practice for the fair and transparent identification of staff with significant responsibility for research, the determining of who was an independent researcher, and the selection of outputs;
- The Code had been agreed by the Academic Board following consultation with the University's staff consultative meeting.

A discussion took place in response to member' questions concerning the Code of Practice and how staff were identified for submitting to the REF.

(v) RIDDOR

With reference to the decision taken at the July 2016 Board of Governors' meeting that any Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) events should be included in the CEO's report, the Governors considered and noted that a RIDDOR report had been made to the Health & Safety Executive (HSE) in January 2019. The HSE had not contacted the University since the report had been submitted.

(vi) Successes

Governors considered and noted the section in the report on student successes, congratulating those involved.

The Board of Governors received the CEO's report for June 2019.

- 8.0 Key performance indicator (KPI) report.** Governors noted that as the KPI report was unchanged from that received at the March 2019 Board of Governors' meeting, no update was being presented to the current meeting.

Part III - Academic Board report: for information

- 9.0 Academic Board report.** The Vice-Chancellor, Professor Wonnacott, presented the Academic Board minutes of the meeting held on the 13th March 2019, highlighting the following to the Board of Governors:
- Three new specialist postgraduate courses had been approved;
 - Application rates for the above courses were already positive.

- A change of course title had been approved, with the BA (Hons) Printed Textiles and Surface Pattern Design becoming the BA (Hons) Textile Design from 1st September 2019;
- The Research Excellence Framework (REF) 2021 Code of Practice had been approved.

The Governors received the Academic Board minutes for 13th March 2019.

PART IV - Financial matters: items for consideration

- 10.0 Financial matters: management accounts.** The Pro-Vice-Chancellor (PVC) Assurance & Director of Finance, Ms Bailey, presented the management accounts for the period ending 30th April 2019, which were considered.

Governors noted that:

- The current operating forecast surplus for the year was nearly £2.2 million, despite lower income from enrolments;
- Savings in pay costs had been realised, with savings in non-pay costs due largely to savings in maintenance costs and depreciation;
- The University's cost base had increased as result of the new build, the expansion of the University's portfolio of courses and expenditure on small equipment;
- The budget included a student fees contingency, with the University's undergraduate student withdrawal rate being around 2.5%;
- The balance sheet remained strong and the cash position was healthy, with lower costs both in revenue and capital meaning an improved forecast cash position;
- The revolving credit facility (RCF) had been utilised [*confidential minute*].

The Board of Governors received the management accounts for the period ending 30th April 2019.

- 11.0 Budget & financial plan assumptions presentation.** The PVC Assurance & Director of Finance, Ms Bailey, presented the budget and financial plan assumptions, outlining the main external and internal factors impacting the University and set out the key assumptions used in preparing the budget, together with a preliminary view of the budget in the normal management accounts format.

It was noted that the Office for Students (OfS) had informed Universities that:

- There would be a new template for the commentary and an amended template for the financial and student number forecasts;
- The OfS had stated that they would not be collecting financial or student number forecasts in July or September 2019, with the deadline currently expected to 2nd December 2019, further guidance was expected to be published by the end of June;
- The University, nevertheless, needed to have an approved budget for 2019/20 and some indication of a longer term view for planning and loan funding purposes;
- The final budget would therefore be brought to the Board of Governors meeting on the 3rd July for approval.

The PVC Assurance & Director of Finance reported that:

- The strategic development of the University course portfolio was continuing, with growth in overseas and postgraduate numbers which would reduce the reliance on home undergraduate fees;
- Phase 2 included further redevelopment of the estate to increase capacity and a continued high level of investment in capital and equipment;
- There would be additional cost pressures in 2019-20, with a significant increase in employer's contributions in relation to the Teachers' Pension Scheme (TPS) and registration fees to be paid to the OfS;
- The University's financial strategic objectives would be met [*confidential minute*]. The draft 2019/20 budget, revenue bridge and cost bridges were considered.

Governors noted, with reference to the 5-year perspective, that:

- There remained considerable uncertainty in key areas;
- It was, for example, unclear whether or which recommendations arising from the Augur review would be implemented;
- Pension costs remained high i.e. with the cost of the TPS to employers increasing in 2019 and increases in LGPS employers' contributions likely in the future;
- The full impact of the OfS as regulator was not yet fully apparent, although they had made significant changes to the Access and Participation Plan requirements;
- Demography remained an issue i.e. it would be 2024 before the number of 18 year olds reached 2015 levels;
- While recruitment remained competitive across the sector, applications to the University remained strong and Leeds remained attractive to students and was developing as a creative hub e.g. recent decisions by Channel 4 and PACT to move to Leeds;
- The University remained in a strong financial position to meet any challenges arising.

In response to Governors questions it was noted that FE institutions would receive financial support from the government with the increased cost of the TPS employers' contributions for 2019/20 but HE would not.

[*Confidential minute*]

Governors noted in discussion the importance of:

- Maintaining high levels of liquidity in the uncertain environment of the next 5 years of the financial plan;
- Maintaining the quality of the University's provision to remain competitive.

There was a discussion on the potential impact on student recruitment behavior in the light of any future reduction in fees.

It was noted that the University had both HE and FE provision and that the report arising from the Augur review had some positive recommendations concerning FE which might benefit the University, including a suggestion that the FE and HE regulatory regimes should be better aligned, which could result in reduced costs for institutions with both HE and FE provision.

The PVC Assurance & Director of Finance confirmed, in response to Governors' questions, that stress testing would be included as part of the budget that would be

brought to the July Board of Governors meeting.

The Board of Governors received a presentation on the 2019/20 budget and financial plan assumptions.

Part V - Items for approval

- 12.0 Board of Governors' Standing Orders, Code of Conduct & Combined Governance Policies document.** The Clerk to the Board of Governors reported that: under the Board of Governors' standing agenda item list, the Board's Standing Orders were reviewed annually; the Standing Orders had been reviewed at the Board of Governors' March 2019 meeting, at which it had been agreed that use of 'they' and 'their' should be made consistent throughout the document.

Governors noted that, in addition to the agreed stylistic changes to the document, the Clerk was proposing the removal of the statement at paragraph 4 of the Interpretation section that 'words importing one gender include the other gender', as no being longer relevant, and that Appendix A (Governors' briefing - social media/digital strategy) should be removed from the Standing Orders and replaced with a brief reference to social media in the Board of Governors' Code of Conduct and a longer new section F1 in the Board of Governors' Combined Governance Policies document.

It was agreed that references at section 3.10 (Declaration of personal interest) of the Standing Orders to 'father, mother, brother, sister, child, grandchild and step-father/mother/ brother/sister/child' should be amended to read 'parent, guardian, sibling, child, grandchild and step-parent/sibling/child'.

Action: Clerk

The Board of Governors approved the revised Standing Orders (amended as agreed), the revised Governor Code of Conduct and the revised Combined Governance Policies document: proposed Mr Whitehead, seconded Ms Watson.

Action: Clerk

- 13.0 Board of Governors' standing agenda item list.** The Clerk to the Board of Governors presented the standing agenda item list for 2019/20, noting that some key guidance relating to Office for Students (OfS) requirements in 2019/20 had, however, not yet been issued e.g. OfS requirements relating to registration Condition D (Financial viability and sustainability), which was currently expected to be available at the end of June 2019. Governors noted that it was therefore possible that some items or the timing of some items on the list might have to be varied once further information from the OfS was available.

The cycle of Students' Union reports to the Board of Governors was raised by Ms Ojari, Students' Union President/Student Governor, and it was agreed that the Pro-Vice-Chancellor Student Experience & Resources, Professor Russell, would liaise with Ms Ojari and with the Student Liaison Officer, Ms Cook, to review the cycle.

Action: PVC Student Experience & Resources

The Board of Governors agreed that the Board's draft standing agenda item list for 2019/20 should be returned to the Board's July 2019 meeting to allow possible changes to OfS requirements in relation to registration Condition D (Financial viability and sustainability) to be taken into account.

Action: Clerk

- 14.0 **Draft schedule of Board of Governors & Committee meeting dates for 2019-20.** The Board of Governors considered the draft meeting dates for 2019-20, noting that the Audit Committee would consider at its meeting later on 5th June whether a TRAC sub-committee should be established or whether the TRAC and TRAC (T) returns should be considered for approval at an Audit Committee meeting.

The Board of Governors approved the schedule of Board of Governors & Committee meeting dates for 2019-20, subject to receipt from the Audit Committee on how TRAC and TRAC (T) returns should be approved: proposed Ms Watson, seconded Dr Reid.

Action: Clerk

PART VI - Reports: items for information

- 15.0 **Prevent monitoring accountability data return (ADR) & risk assessment outcome 2017/18.** Professor Russell, Pro-Vice-Chancellor Student Experience & Resources presented the letter from the OfS informing the University of the outcome of its review of the University's Prevent monitoring accountability statement and the Prevent accountability data return submitted to them on the 3rd December. Governors approved the accountability statement and data return at the meeting of the 28th November 2018 following consideration of the Prevent annual monitoring report. Governors noted that the OfS's letter stated that the University had been deemed to have demonstrated due regard to the Prevent Duty and to not be at higher risk of non-compliance with Prevent, which was a positive outcome.

The Board of Governors received the letter from the OfS informing the University of the outcome of its review of the University's Prevent monitoring accountability statement and the Prevent accountability data return.

- 16.0 **Access & Participation Plan principles.** Professor Russell, Pro-Vice-Chancellor Student Experience & Resources, presented a report on the principles underpinning the development of the University's Access and Participation Plan (APP) 2020-2025, noting that Higher Education providers charging undergraduate tuition fees greater than £6,000 were required to have an APP, approved by the Office for Students (OfS), which outlined how the provider would support the participation, achievement and onward progression of under-represented groups.

It was noted that Professor Wonnacott, Professor Russell and Ms Bailey had attended OfS guidance events on the development of the APP 2020-2025.

Governors noted that:

- The APP was for the 5 years 2020 -2025 and highlighted the key elements by which the University intended to support the costs of students who were financially disadvantaged;
- It outlined the activities, approaches and partnerships by which the University continued to extend its reach in promoting and stimulating both the decision to enter HE as well as support the development of the skills, knowledge and understanding with which to make a successful application to a degree course;
- The plan included how students from under-represented groups would be supported towards achievement of their degree and to take the first steps in their careers.

Professor Russell reported that, in order for plans to be approved by the OfS they had to address the national Key Performance Measures (KPM) the OfS had identified, which were based around narrowing the gaps between different groups i.e. with reference to the following targets to:

1. Eliminate the gap in participation between the most and least represented groups (Participation of Local Areas (POLAR4) quintiles 5 and 1 respectively) by 2038-39 i.e. for 18- and 19-year-olds, the OfS target is to reduce the gap in participation between the most and least represented groups from a ratio of 5:1 to a ratio of 3:1 by 2024-25.
2. Reduce the gap in non-continuation between the most and least represented groups (POLAR4 quintiles 5 and 1 respectively) i.e. to eliminate the unexplained gap in non-continuation between most and least represented groups by 2024-25, and to eliminate the absolute gap (the gap caused by both structural and unexplained factors) by 2030-31.
3. Reduce the gap in degree outcomes (1sts and 2:1s) between white students and black students i.e. to eliminate the unexplained gap in degree outcomes (1sts and 2:1s) between white students and black students by 2024-25, and to eliminate the absolute gap (the gap caused by both structural and unexplained factors) by 2030-31.
4. Reduce the gap in degree outcomes (1sts and 2:1s) between disabled students and non-disabled students i.e. to eliminate the gap in degree outcomes (1sts and 2:1s) between disabled students and non-disabled students by 2024-25.

The PVC Student Experience & Resources reported that:

- Extensive analysis of the University's own data against the OfS measures had identified that the University currently had good progress against target 4 above and gap analysis data against target 3 had not identified any areas of concern but the participation rate of Black & Minority Ethnic (BME) students was low and needed to be increased before the target could be assessed appropriately;
- With reference to target 2, whilst the continuation rates of POLAR4 quintile 1 were notably higher than the national average it was still lower than for POLAR4 quintile 5 at the University.

Governors noted that:

- The participation in the arts by BAME groups was low and that the University therefore intended to set targets to increase this through an emphasis on outreach and specific relationships with targeted schools to establish a clear, well supported path for BAME students;
- Gaining a place on a degree in an art, design and performance context was dependent upon producing a portfolio, and in the case of music attaining a high level of performance skills and theoretical understanding, which were difficult to achieve through a much reduced school arts curriculum and the APP would therefore seek to offer alternative ways potential students could be helped to gain these skills;
- Many of the proposed underlying strategies of our agreement which the University intend to continue with from its last access agreement, had matured over time and were the result of a sustained cross-institution approach, including closely working with the Students' Union;
- The previous agreement had achieved consensus and had underpinned areas of existing success e.g. student continuation rates and the performance of students with disabilities.

[Confidential minute]

In response to Governors questions concerning improving the participation rate of under-represented groups, it was noted that:

- The report outlined how the University would work with specifically targeted schools with high proportions of POLAR4 quintile 1 and BME students in order to generate progression routes that would remove the barriers to HE e.g. classroom activities, free places on after school/Saturday holiday courses, scholarships and bursaries to support study costs including support towards studying the University's foundation diploma or further support to study music performance and theory culminating in the achievement of the University's own music theory entrance exam;
- Positive outcomes from previous school outreach work were being seen but the lead time could be long and targets therefore had to be realistic.

The value of raising the profile of BME staff as role models was discussed in the context of widening participation.

The PVC Student Experience & Resources reported that the University would also undertake further research to support the plan e.g. further research into inclusive practice to ensure the University's curriculum was relevant and provided an environment that was engaging to under-represented groups; research into the experience of BME students; public outputs and projects that explore diversity and inclusion as high profile themes.

Governors noted in discussion that:

- The deadline for submission of the University's Access and Participation Plan 2020-2025 was 1st July 2019;
- The OfS required the plan to be approved by the Board of Governors, which was not scheduled to meet again until 3rd July 2019;
- The Instrument & Articles of Government and the Board's Standing Orders did not currently permit the Board of Governors to make decisions using written resolutions;
- Options for approval of the plan therefore included an Extraordinary Board of Governors' meeting or the Board's Standing Orders would permit approval by the Chair of the Board of Governors following consultation with Governors by e-mail.

Professor Russell reported that:

- The APP was approaching completion of its first draft, following initial discussion with the Student Executive and different groupings of staff;
- It would be further considered by a working group made up of students from the Students' Union Executive, members of the University's Careers, Employability and Enterprise (CEE), Registry, Equality Diversity and Inclusion Committee and Learning, Teaching and Enhancement Committee before further consideration by the SMT;
- A final draft including proposed targets and calculated amounts of expenditure would be circulated by email to Governors for comment and agreement in order to meet the OfS deadline of 1st July 2019.

The Board of Governors received and approved the key features proposed for inclusion in the final draft of the University's Access and Participation Plan (APP) 2020-2025 and agreed that the final version of the APP should be circulated to Governors by e-mail.

Action: PVC Student Experience & Resources/Clerk

- 17.0 **Report on the CUC spring plenary.** Mr J Finnigan, Deputy Chair of the Board of Governors, presented a report on the Committee of University Chairs (CUC) spring plenary, which he had attended on behalf of the Chair of the Board of Governors.

[Confidential minute]

The Board of Governors received a report on the CUC spring plenary.

- 18.0 **Standing report on use of the University seal & Chair's action.** The Clerk reported that the University seal had not been used since the March 2019 meeting of the Board of Governors.

PART VII - Committee minutes: for receipt

- 19.0 **Board of Governors: committee minutes.** The Board of Governors received:
- (i) The unconfirmed Audit Committee minutes of 20th Mar. 2019; and
 - (ii) The unconfirmed Search & Nominations Committee minutes of 1st May 2019.

PART VIII - Documents/links from outside bodies

- 20.0 **Documents/links from outside bodies.** Governors received the following documents/links:
- A briefing note relating to registration Condition D (Financial viability and sustainability) submissions in 2019
<https://www.officeforstudents.org.uk/advice-and-guidance/regulation/conditions-of-registration/monitoring-of-registered-providers/>
 - *The Independent panel report to the Review of post-18 education & funding* (May 2019) (the Augar review) which had been published on 30th May 2019
<https://www.gov.uk/government/publications/post-18-review-of-education-and-funding-independent-panel-report>

PART VIII - Final matters

- 21.0 **Any other business.** There was no other business not already on the agenda.
- 22.0 **Risk Management.** The following item of risk was identified: the fact that the Instrument & Articles of Government and the Board's Standing Orders did not permit the Board of Governors to make decisions using written resolutions.

It was noted in this context that changes to the Instrument & Articles of Government had formerly required Privy Council approval but, as a result of the establishment of the Office for Students (OfS), Privy Council oversight of HE governing documents would cease on 1st August 2019 for higher education corporations.

Action: Clerk

- 23.0 **Date of next meeting.** It was noted that the Board of Governors was next due to meet on: Wed. 3rd July 2019 at 1.30pm.

24.0 Exclusions. The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms M Ojari (Students' Union President/Student Governor), Mr F Bates (elected & co-opted staff Governor), Governor nominated by the Academic Board), Ms G Edge (elected & co-opted Staff Governor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Professor R Whittaker (Pro-Vice-Chancellor Academic) and Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance).

Confirmed



**BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE MEETING HELD ON
WEDNESDAY 3RD JULY 2019**

Present: Mr F Bates (Governor nominated by the Academic Board), Mr C Clements (Independent Governor, Chair of the Board of Governors), Professor P Cullen (Co-opted Governor, education), Ms G Edge (elected & co-opted Staff Governor), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms A Handa (Independent Governor), Ms A Horton (elected Student Governor), Ms M Ojari (Students' Union President/ Student Governor), Professor C Pickles (Independent Governor), Mr N Ramshaw (Independent Governor), Dr D Reid (Independent Governor), Ms K Watson (Independent Governor), Mr D Whitehead (Independent Governor) and Professor S Wonnacott (Vice-Chancellor).

In

attendance: Mrs F Bagchi (Clerk to the Board of Governors), Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance), Ms J Hearnshaw (Secretary to the Vice-Chancellor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

- 1.0 **Apologies for absence.** Apologies were received from Mr D Bagley (Independent Governor) and Mr J Flathers (Senior Independent Governor).
- 2.0 **Declaration of interests & code of conduct report.** The following standing declarations of interest were received: Mr Bates (employee, Leeds Arts University); Ms Ojari (Leeds Arts University Students' Union President); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Ms Horton (student, Leeds Arts University); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online); Mr Ramshaw (employee (Managing Director), Thompson Brand Partners); Dr Reid (Director of Bank Saderat plc and an Independent member of the probate (regulatory) committee of the Institute of Chartered Accountants of England and Wales); Mr Whitehead (employee (CEO & Principal) Leeds College of Building; Professor Wonnacott (employee, Leeds Arts University, and Universities & Colleges' Employers' Association Board member).

PART I - Procedural matters: items for approval

- 3.0 Minutes of the previous meeting. The minutes of the meeting of the Board of Governors held on 5th June 2019 were approved with the amendment of item 7 (iv) to state that the University had formally submitted its REF 2021 Code of Practice for staff and outputs, which had been approved by the Academic Board: proposed Ms Watson, seconded Mr Reid.

Action: Clerk

- 4.0 **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that actions not already completed were on the agenda or had a future completion date.

PART II - CEO's report: items for consideration and monitoring

- 5.0 **Chief Executive's report.** The Vice-Chancellor, Professor Wonnacott, presented the CEO's report for July 2019. Governors noted, in particular, the following areas covered by the report:

(i) Guardian league tables

The Vice-Chancellor reported that the University had featured in the Guardian's subject league tables, with the outcome similar to the previous year i.e. with the overall results being good.

(ii) Academic enrolment, retention and success rates

The Vice-Chancellor reported that:

- The University was currently expected to meet its overall target acceptances for HE undergraduate courses;
- It was too early in the cycle to assess postgraduate and international target recruitment but early acceptances appeared to provide indications of a positive outcome;
- The acceptance of Further Education (FE) places overall was currently expected to be close to target;
- The conversion of applications to enrolments was being monitored by the University's senior management team (SMT) and Programme Directors;
- HE and FE retention remained good, although in the latter case was not as high as the previous year's rate overall.

(iii) Research

Governors noted that the University would undertake a mock REF exercise during summer 2019 which would be conducted with an external panel member and would follow the process outlined in the University's REF 2021 Code of Practice. Governors noted the significant amount of research work recorded since the June 2019 report.

(iv) Successes

Governors considered and noted the section in the report on student successes, congratulating those involved. The high number of successes recorded since the June 2019 report was noted. The Vice-Chancellor reported that the feminist public sculpture project in collaboration with Leeds City Council was in its final stages and would be unveiled next year.

The Board of Governors received the CEO's report for July 2019.

- 6.0 **Key performance indicator (KPI) report.** Governors noted that the KPI report that had been presented to the March 2019 Board of Governors was unchanged and was therefore not being re-presented.

Part III - Academic Board report: for information

- 7.0 **Academic Board report.** Governors noted that the minutes of the June 2019 Academic Board meeting would be presented to the October 2019 meeting of the Board of Governors.

PART IV - Financial matters: items for consideration

- 8.0 **Financial matters: Management accounts.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey presented the management accounts for the period ending 31st May 2019, which were considered.

Governors noted that:

- The current forecast operating surplus for the year was above budget and was around 11% as a percentage of income;
- Current income was below budget and forecast to be lower than budget at the year-end but had increased by 9% increase compared to the previous year;
- Total costs to date were favourable compared to budget;
- Summer refurbishment work had started which meant that some expenditure could fall within the current financial year;
- The balance sheet was strong and there was a healthy cash position, with the greater part of undergraduate fees received in May 2019;
- The level of bad and doubtful debts was low.

The Board of Governors received the Management accounts for the period ending 31st May 2019.

- 9.0 **TRAC & TRAC (T) benchmark return summary and analysis.** The Pro-Vice-Chancellor Assurance & Director of Finance presented a summary of the report, which had been release by the Office for Students (OfS in June 2019, noting that the full report was available on the Board of Governors' section of eStudio.

Governors noted, with reference to the TRAC benchmark return report, that:

- The University had no research income and had therefore applied dispensation, which meant that it was not included in the TRAC peer group analysis, although a copy of the report had been provided for Governors for information;
- The benchmarking analysis showed that the University had a higher level of publically funded teaching than the peer group (due to the inclusion of the University's FE provision which was larger than most Universities in the peer group) and that non-publically funded teaching (overseas students) was much lower than the peer group;
- The University's recovery of costs on publically funded teaching was higher than the peer group median but, due to continued investment in internationalisation and a lower numbers of overseas students, the recovery of full economic cost for overseas provision was lower.

Governors noted, with reference to the TRAC (T) benchmark return report, that:

- The report provided analysis of TRAC (T) data, showing how much it cost to teach a publically funded student, and included an Excel workbook analysis of the University's data, along with summary figures (averages and quartiles) for the relevant TRAC peer group (F) and the sector;
- The report showed that it was estimated to cost the University £9,009 to teach a publically funded undergraduate student;
- While the figure above was lower than the median for the peer group of £10,610, it was noted that the peer group included a number of institutions which received additional specialist funding from the OfS;
- The University's cost per publically funded student was expected to increase again next year as result of the expansion in courses, new build and increases in small equipment.

The differences between the TRAC analysis and the DfE costing survey undertaken by KPMG were discussed noting the slight differences in approach.

Governors noted that the estimated cost to the University of teaching a publically funded undergraduate student was close to the maximum tuition fee and it was noted in response to Governors' questions that costs included a margin for sustainability e.g. the cost of maintaining buildings, future investment, financing.

The Board of Governors received the TRAC & TRAC (T) benchmark return summary and analysis.

PART V - Financial & audit matters: items for approval

- 10.0** **Budget 2019-20 & financial plan.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented to the Board of Governors the budget for 2019-20 and the financial plan for 2020-24

The Pro-Vice-Chancellor Assurance & Director of Finance reported that, while the OfS had stated that it would not be collecting financial and student number forecasts in July or September 2019, full guidance from the OfS on complying with registration Condition D (Financial viability and sustainability) was still awaited e.g. the new template for the commentary financial forecasts on student numbers had not yet been issued, submission dates remained to be confirmed.

The Pro-Vice-Chancellor Assurance & Director of Finance confirmed that, when the requirements of the OfS were fully known, the OfS templates for the financial commentary and student numbers would be completed and submitted to the Board of Governors for approval together with any update, with it currently being expected that the deadline for submission of the above documents to the OfS would be 2nd December 2019.

Action: PVC & Assurance & Director of Finance

It was noted, with reference to student numbers and the transparency of financial forecasting generally, that: the Extraordinary meeting of the Board of Governors held on 1st May 2019 had received a report from the OfS on sector financial viability and sustainability which recommended that governing bodies

should discuss it with reference to their forecast assumptions, risk in relation to student recruitment and fee income targets, and contingency planning; a report from the Pro-Vice-Chancellor Assurance & Director of Finance which had considered the financial viability and sustainability of the University within the context of the OfS report, had also been considered at the Board of Governors' May 2019 meeting.

The Pro-Vice-Chancellor Assurance & Director of Finance reported that the 2019-20 budget has been finalised and was being presented in the University's management accounts format, with the accompanying briefing providing an outline of the forecast for student numbers, the main factors impacting the University and the key assumptions used in preparing the budget together with the results of the sensitivity analysis.

Governors noted that, in preparing the financial plan, the main drivers had been: a planned increase in HE student numbers; the expansion of the course portfolio (including 2 additional specialist Master courses starting in September 2020); continued investment with a focus on employability, enterprise and research; the continuation of the refurbishment and estates programme; capital investment; commitment to the initiatives in the University's Access and Participation Plan.

The Pro-Vice-Chancellor Assurance & Director of Finance reported, with reference to key assumptions that: all items within the budget and financial forecasts had some degree of uncertainty and could be subject to material variations e.g. there remained some longer-term sector uncertainties but fees for 2019-20 had been confirmed; the University had historically adopted a cautious approach to financial planning and budgeting which ensured that net variance from budget was more likely to have a positive rather than a negative impact on the financial position; the financial plan took a cautious approach to those items that had the biggest risks (i.e. tuition fees, student recruitment, inflation and payroll) and included appropriate contingencies; the University had comprehensive and robust financial monitoring and reporting mechanisms which ensured the early identification of variations from budget and consequently facilitated effective corrective action; the overall aim of the plan was to ensure solvency and financial sustainability.

Governors noted that, as at 31st July 2019 the University had no borrowings but, based on the forecast, was expecting to term out the loan at £3 million, noting that the loan was currently expected to be paid back before the end of the financial plan and could be repaid early with no penalties.

Governors noted in discussion that staff costs as a percentage of income were 52% (53% including pension adjustment) in 2018-19 and were forecast to be 55% (57% including pension adjustment) in 2019-20, rising to 56% in 2022-23 and 2023-24. It was noted in response to Governors' questions that the University would ensure that staff costs would not exceed 56% as a percentage of income i.e. they would remain in line with the maximum key performance indicator approved in the University's Strategic Plan 2017-23. It was noted that the financial plan included adequate provision for staffing costs, including the additional staffing required for new courses.

Governors discussed the University's staffing model and the degree of flexibility it provided, noting that: the University employed staff on permanent but

proportional contracts, rather than employing casual hourly-paid staff, and considered that this provided an appropriate level of flexibility.

It was noted in response to Governors' questions concerning FE student recruitment, that enrolments in the plan for 2019-20 onwards were forecast to be lower than in 2018-19 as a level 2 qualification was not being offered in 2019-20. Governors noted the effect on the recruitment of students aged 16-18 of the requirement for applicants to have GCSE English and Maths and of a reduced art and design curriculum in schools, noting that the plan forecast of stability rather than growth in FE student numbers reflected this situation.

It was noted in response to Governors' questions that, while it was understood that students (especially international students) valued institutions providing student accommodation and the possibility of the University having its own student accommodation had previously been discussed, no provision for this had been made in the financial plan due to current uncertainty in the external environment.

The Board of Governors approved the 2019-20 budget and financial plan 2020-24: proposed Mr Whitehead, seconded Professor Pickles.

- 11.0 Students' Union Budget 2019-20 proposal.** The Pro-Vice-Chancellor Student Experience & Resources, Mr Russell, reported that, under the Education Act 1994, the Board of Governors was responsible for approving the Students' Union Budget. Governors noted that the budget proposal provided a comparison between expenditure for 2018-19 against that proposed in the budget for 2019-20 and that the latter had been prepared by the Students' Union Liaison Officer in consultation with the Students' Union President and the Students' Union Executive.

Governors noted that the University was proposing a small increase in the Student's Union budget in line with the growth in student numbers and to enable the Student's Union to continue to improve and enhance the student experience through its services.

The Board of Governors approved the Students' Union Budget for 2019-20: proposed Ms Handa, seconded Dr Reid.

- 12.0 External audit annual strategy & plan.** The Chair of the Audit Committee, Mr Finnigan, presented KPMG's annual audit plan and strategy for the external audit for the financial year ending 31st July 2019, which had been considered at the Audit Committee meeting held on the 5th June 2019.

Mr Finnigan reported that the plan described KPMG's overall strategy and scoping, its approach to materiality and identified the significant risks and areas of focus to be addressed by the audit noting that the audit's main purpose was to issue a report which expressed KPMG's opinion on whether the financial statements gave a true and fair view of the state of the affairs of the University as at 31st July 2019. It was noted that the areas of significant risk to be considered as part of the audit were similar to those included in the plan for the previous year with the exception of the risk relating to new build capital accounting where the level of risk was lower than in the previous year as a result of the completion of the new build.

Mr Finnigan reported that the Committee had noted with reference to materiality that: revenue was forecast at £20.7 million (2018: £18.6 million); materiality for the financial statements as a whole had been set at £0.4 million, which was 1.9% of revenue (2018: £0.3 million, 1.6% of revenue). It was noted that the proposed level of materiality had been increased for 2018-19 as a result of lower risk following completion of the University's capital project, which the Audit Committee had discussed and considered to be reasonable.

Governors noted that fees for the audit for the financial year ended 31st July 2019 shown in the plan were as agreed as part of the 2019 external audit tender process.

The external audit strategy and plan was approved, on the recommendation of the Audit Committee: proposed Dr Reid, seconded Professor Cullen.

13.0 Financial regulations: Vernon Street boiler. The Pro-Vice-Chancellor Assurance & Director of Finance presented the report for the replacement of the Vernon Street boiler.

Governors noted that: the tender had been published on Contracts Finder and the NEUPC Delta procurement system, with two bid submissions for the project being received; a number of contractors who had expressed initial interest had declined to bid due to their existing workload over the summer period and the timescales required; under completion of the tender evaluation process VWG Mechanical had the highest score, had provided the most comprehensive and compliant bid, and was therefore the preferred contractor for the project.

Governors approved the appointment of VWG Mechanical Ltd to undertake the boiler replacement project at Vernon Street: proposed Mr Ramshaw, seconded Mr Whitehead.

14.0 Financial Regulations: summer works. The Pro-Vice-Chancellor Assurance & Director of Finance presented the report on the summer works tender.

Governors noted that: the University used a space allocation planning process for courses, which was reviewed annually; work on the original Blenheim Walk building had been planned to take place during summer 2018, but had been deferred due to the new build overrun; the space had been reviewed again to ensure there would be sufficient provision for new and existing courses and the projected increase in student numbers over the next few years; the reconfiguration of the Blenheim Walk building would continue during summer 2019; three contractors had been approached, with the tender package for the works issued through the NEUPC Delta portal; one tenderer withdrew from the process during the evaluation stage.

Governors approved the appointment of H Peel and Sons Ltd to undertake the summer works programme: proposed Ms Watson, seconded Professor Pickles.

15.0 Financial Regulations. The Pro-Vice-Chancellor Assurance & Director of Finance reported that the Financial Regulations had last been approved by the Board of Governors in July 2018 and that minor updating changes were now being proposed e.g. changes in purchasing to reflect the process for awarding

contracts, the amendment of minor typographical errors, and clarification of processes.

The Board of Governors approved the revised Financial Regulations: proposed Mr Whitehead, seconded Ms Handa.

PART VI - Reports/documents/links: for information

- 16.0 Report on use of the University seal.** Governors noted that the seal had not been used since the last meeting.
- 17.0 Report on Chair's action.** The Board of Governors noted that under section 3.6 of the Board of Governors' Standing Orders, the Clerk recorded any action taken by the Chair of the Board of Governors between meetings and included the action as an agenda item at the next ordinary meeting of the Board of Governors. Governors noted that the result of the electronic consultation in relation to approval of the University's Access & Participation Plan 2020/21 - 2024/25 had been positive and the Chair of the Board of Governors had therefore approved the Plan to be submitted to the OfS under Chair's action. The Chair thanked Governors for their contribution to the consultation.

The Board of Governors received the report on Chair's action taken since their June 2019 meeting.

- 18.0 Access & Participation Plan - confirmation of submission by 1st July 2019 deadline.** The Pro-Vice-Chancellor Student Experiences & Resources confirmed that the approved Access & Participation Plan 2020/21 - 2024/25 had been submitted to the OfS.
- 19.0 Annual re-appointment of the Chair & Deputy-Chair of the Board of Governors.** Mr Clements and Mr Finnigan each declared an interest in this item and left the meeting.

The Clerk reported that the Chair and Deputy Chair of the Board of Governors were elected for a 4-year period, subject to annual re-nomination and re-appointment.

Governors noted that:

- Mr Clements had been elected as Chair of the Board of Governors for a 4 year term from 17th July 2016, subject to annual re-appointment, and would have completed 3 years in office on 16th July 2019;
- Mr Clements final term of office as an Independent Governor and as the Chair of the Board of Governors was due to end on 16th July 2020;
- Mr Clements was therefore eligible to be considered for formal annual re-appointment as Chair i.e. for the year 17th July 2019 to 16th July 2020;
- Mr Finnigan had been elected as Deputy Chair of the Board of Governors for a 4 year term from 31st July 2017, subject to annual re-appointment, and would have completed 2 years in office on 31st July 2019;
- Mr Finnigan was therefore eligible to be considered for formal annual re-appointment as Deputy Chair i.e. for the year 1st August 2019 to 31st July 2020.

The Board of Governors agreed that Mr Clements should be re-appointed as Chair

of the Board of Governors for the year 17th July 2019 to 16th July 2020: proposed Dr Reid, seconded Mr Ramshaw.

The Board of Governors agreed that Mr Finnigan should be re-appointed as Deputy Chair of the Board of Governors for the year 1st August 2019 to 31st July 2020/20: proposed Dr Reid, seconded Mr Ramshaw.

Mr Clements and Mr Finnigan re-joined the meeting.

PART VII - Membership & governance matters: for approval

20.0 Search & Nominations Committee recommendations: Governor appointments & committee vacancies. In the absence of Mr Flathers, the Chair of the Search & Nominations Committee, Ms Handa, as Vice-Chair, presented the Committee's recommendations.

Governors noted that there were currently no Governor vacancies on the Board but the June 2019 meeting of the Search & Nominations Committee had noted that the terms of office of the following Independent Governors would end shortly:

- Mr Flathers' final term of office as an Independent Governor would end on 31st July 2019;
- Ms Watson's first 4 year term of office as an Independent Governor would end on 15th September 2019, noting that Ms Watson was not seeking re-appointment;
- Ms Ojari's term of office as Students' Union President/Student Governor would end on 31st August 2019;
- Ms Horton's term of office as Elected Student Governor would end on 31st August 2019.

The Search & Nominations Committee had also noted that:

- Ms Palmer-Jones, Level 6 Illustration, had been elected as Students' Union President for 2019-20, replacing Ms Ojari;
- Ms Motema, Level 5 Textile Design, had been elected as Student Governor for 2019-20, replacing Ms Horton.

Governors noted that there would be a vacancy on the Search & Nominations Committee following the end of Mr Flathers' final term of office as an Independent Governor. The vacancy for a Senior Independent Governor and an *ex officio* vacancy on the Remuneration Committee for the Chair of the Search & Nominations Committee, which would arise on Mr Flathers' retirement from the Board of Governors, were also noted.

The Board of Governors approved, on the recommendation of the Search & Nominations Committee, the appointment (subject to meeting the Governor eligibility criteria) of Ms Palmer-Jones as Students' Union President/Student Governor *ex officio* from 1st September 2019 to 31st August 2020 or until the end of Ms Palmer-Jones' term of office as Students' Union President or until Ms Palmer-Jones left the University, whichever was the sooner: proposed Ms Handa, seconded Mr Bates.

Action: Clerk

The Board of Governors approved, on the recommendation of the Search &

Nominations Committee, the appointment as Elected Student Governor (subject to meeting the Governor eligibility criteria) of Ms Motema from 1st September 2019 to 31st August 2020 or until the end of Ms Motema term of office as Elected Student Governor or until Ms Motema left the University, whichever was the sooner: proposed Ms Handa, seconded Mr Bates.

Action: Clerk

PART VIII - Policies and procedures: items for approval

21.0 Board of Governors standing agenda item list. Governors noted that the it had been agreed at the June 2019 meeting of the Board of Governors that the Board's draft standing agenda item list for 2019-20 should be returned to the Board's July 2019 meeting for further consideration and to allow the following to be taken into account:

- Any recommendation from the Audit Committee on the need to establish a TRAC & TRAC(T) sub-committee;
- Receipt of key guidance relating to OfS requirements in 2019/20 i.e. OfS requirements relating to registration Condition D (Financial viability and sustainability).

Governors noted that the revised standing agenda item list reflected the following committee recommendations:

- The Audit Committee had agreed at its June 2019 meeting, not to recommend to the Board of Governors the establishment of a TRAC & TRAC(T) sub-committee to review the University's TRAC & TRAC(T) returns but to recommend that this review should be undertaken by the Audit Committee itself at an annual meeting to be held in January;
- The above recommendation was in line with OfS guidance which required TRAC returns to be approved by an independent committee of the Board of Governors e.g. the Audit Committee;
- The Remuneration Committee had agreed at its July 2019 meeting that the Remuneration Committee annual report should be presented to the November 2019 Board of Governors' meeting following approval at a Remuneration Committee meeting that would take place earlier in November 2019.

As earlier on the agenda, guidance relating to OfS requirements in 2019-20 was still awaited and might require the 2019-20 list currently under consideration to be amended at a later date.

The Board of Governors approved its standing agenda item list for 2019-20: proposed Dr Reid, seconded Mr Finnigan.

22.0 Revised schedule of business for 2019-20. Governors considered the revised schedule of business for the Board of Governors and its committees for 2019-20, noting that the schedule included an additional Audit Committee meeting on 22nd January 2019 to review the University's TRAC & TRAC (T) returns, as noted above.

The Board of Governors approved the revised 2019-20 schedule of business for the Board of Governors and its committees with the addition of a Remuneration Committee meeting on the 13th November 2019: proposed Dr Reid, seconded Mr Whitehead.

PART IX - Committee reports & minutes: for receipt

23.0 **OfS annual institutional risk assessment report.** The Board of Governors noted that the report, which had been expected in spring 2019, had yet to be received.

24.0 **Board of Governors: committee minutes & reports.**

(i) Search & Nominations Committee. The Board of Governors received the unconfirmed Search & Nominations Committee minutes of 5th June 2019, noting that recommendations arising from the meeting had been considered earlier on the agenda. It was agreed that the second bullet-point of the minutes of agenda item 12 should be amended to state that Dr Reid had attended the Committee of University Chairs (CUC) 'autumn' plenary in Oct 2018.

Action: Clerk

It was noted that publication of the *AdvanceHE Governance Consultancy & Development 2019-20* brochure had been considered at the Committee's June 2019 meeting and that paper copies had been made available at the current meeting, with Governors interested in attending events invited to contact the Clerk.

(ii) Audit Committee. The Board of Governors received the unconfirmed Audit Committee minutes of 5th June 2019. The Chair of the Audit Committee drew particular attention to the following items considered at the meeting:

- The second block of internal audit reports, with it being noted that review of bursaries & learner support and the ICT review of network security & cybercrime had both received a Reasonable assurance grade and the Academic quality (course approval & periodic review) and the ICT review of GDPR compliance had both received a Substantial assurance grade ;
- The process for approval of TRAC & TRAC(T) returns in January 2020;
- KPMG's external audit plan.

The Board of Governors received the unconfirmed minutes of the June 2019 Search & Nominations Committee and Audit Committee meetings.

PART X - Documents/links from outside bodies

25.0 **Documents/links from outside bodies.** The Board of Governors noted that that KPMG 2017/18 financial statements benchmarking report, which had been considered at the June 2019 Audit Committee meeting, was available to the Governors' section of eStudio.

PART XI - Final matters

26.0 **Any other business.**

(i) Retiring Governors. The Chair of the Board of Governors thanked: Student Governors, Ms Ojari and Ms Horton, for their input during 2018/19; Ms Watson for her contribution to the work of the Board of Governors during her current term of office; Mr Flathers (in his absence) for the length of his service to the

Board of Governors.

(ii) End of Year Show. Governors noted the high standard of work at the University's End of Year show.

27.0 **Risk Management**. It was noted that no new items of risk had been identified at the meeting.

28.0 **Date of next meeting**. It was noted that the Board of Governors was next due to meet on: Wednesday 9th October 2019 at 1.30pm.

PART XII - Reserved Matters

29.0 **Exclusions**. The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms M Ojari (Students' Union President/Student Governor), Mr F Bates (Governor nominated by the Academic Board), Ms G Edge (elected & co-opted Staff Governor), Ms A Horton (Elected Student Governor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Professor R Whittaker (Pro-Vice-Chancellor Academic) and Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance).