1.0 **Apologies for absence.** Apologies were received from the following Governors: Mr Bates (Governor nominated by the Academic Board), Ms Handa (Independent Governor). Apologies were received from the following senior management team member: Professor Russell (Pro-Vice-Chancellor Student Experience & Resources).

2.0 **Declaration of interests & code of conduct report.** The following standing declarations of interest were received: Mr Bagley (University of Sheffield Council member, Gradcore Limited); Mr Clements (partner, Deloitte); Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Edge (employee, Leeds Arts University); Ms Motema (student, Leeds Arts University); Ms Palmer-Jones (Leeds Arts University Students’ Union President); 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, Director GuildHE, Director Yorkshire Universities, UCEA Board member, Trustee HESA Board. Related parties: staff member, student member).

The following declarations of interest were made during the meeting: at agenda item 5, Mr Bagley stated during a discussion of graduate employment that he was a Director of Gradcore Limited; at agenda item 12 at which the appointment/election
of committee Chairs was discussed, Mr Finnigan and Dr Reid, as current committee Chairs, declared an interest and left the meeting.

**PART I - Procedural matters: items for approval**

3.0 Minutes of the July 2019 Board of Governors’ meeting. The minutes of the meeting of the Board of Governors held on 3rd July 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, nothing that actions not already completed were on the agenda or had a future completion date. [Confidential minute].

**PART II - Items for consideration and monitoring**

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

(i) The Times & The Sunday Times Good University Guide
The Vice-Chancellor reported that the University had been ranked 56 out of 131 universities, having been ranked being 54th in the previous year, which was noted to be a positive position taking into account the fact that the University did not currently have a research rating. It was noted that the University had been ranked 20th for teaching quality.

(ii) Academic enrolment, retention and success rates
It was noted that enrolments would be discussed at agenda item 6, when reviewing key performance indicators.

(iii) Research
Governors noted that the mock Research Excellence Framework (REF) assessment outlined in the institutional Code of Practice had taken place and that the exercise had been useful in identifying where additional targeted research mentoring was required ahead of the formal submission. Governors noted the significant amount of research work recorded since the July 2019 report.

(iv) Estates
Governors noted that the refurbishment projects due to take place during the summer had been completed, including the consolidation of all the MAC suites into one area.

(v) Access & Participation Plan update
Governors noted that the University’s Access and Participation Plan had been submitted to the Office for Students (OfS) in July 2019, which had requested further clarification in August 2019, with a telephone conference also taking place. The Vice-Chancellor confirmed that, following this first re-submission, a response had been made to a second set of OfS queries in September 2019, and the University was now awaiting the OfS’s final decision.

(vi) Successes
Governors considered and noted the section in the report on student successes, congratulating those involved. The high number of successes recorded since the July 2019 report was noted. Governors also noted that the University had been shortlisted for two Times Higher Awards in relation to research developments
Governors discussed the University’s ranking in The Times and The Sunday Times Good University Guide in relation to job prospects for students, noting the Vice-Chancellor’s report that the metrics used had been taken from the previous year’s survey, which was now managed centrally by Graduate Outcomes. It was recognised that creative graduates often had a portfolio career and many were self-employed. The complexities of capturing this type of employment profile were noted. The different activities with the enterprise and employability function were discussed.

Mr Bagley declared at the start of the above discussion on graduate employability that he was a Director of Gradcore Limited.

The Board of Governors received the CEO’s report for October 2019, congratulating the University for being ranked 20th for teaching quality in The Times and The Sunday Times Good University Guide.

6.0 Annual report against the Strategic Plan indicators & KPIs. The Vice-Chancellor presented the second annual report against the strategic plan 2017-2023 and key performance indicators (KPIs). Governors considered and discussed the report, including an update on enrolment data.

(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, to support this aim, several indicators had been used to assess how the University was performing, noting in particular the following:

- With reference to National Student Survey (NSS) overall satisfaction, teaching, assessment and feedback and resources scores had been used;
- With a score of 81%, the University had performed better for overall satisfaction than the creative arts benchmark (80%) and the institutional specific benchmark (80%) but worse than the HE sector benchmark (84%);
- Non-continuation had risen to 4.8%, which was still a good result and above benchmark, but the area was being closely monitored, particularly with reference to the retention of under-represented groups;
- The University’s further education (FE) Learner Satisfaction Survey results had exceeded national benchmarks i.e. the University’s interim result for the year was 89.3% (2017/18: 90.7%), with the FE sector average for the subject category arts media and publishing being 80.5% and the FE sector average being 82%;
- As previously noted, the Destination of Leavers from Higher Education (DLHE) was now being managed centrally by Graduate Outcomes, with results from the survey of 2017/18 graduates due in spring 2020 i.e. there was currently no update on the figures from the 2016/17 graduate survey;
- The University’s FE achievement rates had remained high, with an overall rate for FE of 91.4% (2017/18: 94.2%), which was above the FE sector benchmark.

Governors noted that in 6 of the 27 NSS questions, the University had performed better than benchmark.
The Vice-Chancellor reported that: the University was broadly aware of the reasons for the fall in student satisfaction and steps had been put in place to improve the areas identified; feedback from students would also be carefully monitored; while the overall satisfaction result was positive, the University intended to concentrate on improving it further; with regard to the score for assessment and feedback and resources, the University had performed better than benchmark.

It was noted in response to Governors’ questions concerning whether a culture change from school to university might also be responsible in part for a fall in student satisfaction that: actions included explaining the learning and teaching approach within the University to students and course action plans addressed this point where relevant.

It was noted in response to Governors’ questions concerning the delay in the opening of the new building at Blenheim Walk that this did not appear to have affected the student satisfaction score.

It was noted in response to Governors’ questions on higher education (HE) retention and under-represented groups, that the monitoring of data on non-continuation was being improved for use in relation to the University’s Access and Participation Plan targets and any retention issues relating to under-represented groups would be reviewed in detail; a full report on retention and under-represented groups in further education (FE) would be included in the FE self-assessment report to be presented to the January 2020 Board of Governors’ meeting.

**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, to support this aim, several indicators had been used to assess how the University was performing, noting in particular the following:

- Preparation was continuing for REF2021, with targeted support to assist staff in generating peer reviewed research output;
- Engagement with Open Access continued to improve, with the University now able to collect robust research data to inform strategy;
- There had been an increase in the University's postgraduate cohort due to a number of factors, including the introduction of a number of specialist Masters and the introduction of the postgraduate student loan.

**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 that the latest undergraduate international enrolment numbers were in line with the University's target. It was noted there had been a high number of deferrals this year which might relate to the post-university work visa being reinstated in 2020 and with the current uncertainty of Brexit.

(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:
Currently the percentage of HE academic teaching staff with a Higher Education Academy (HEA) Fellowship was just below the target minimum set and was slightly lower than in the previous year due to the recruitment of new staff who would need to be supported through the HEA Fellowship process; FE academic teaching staff with HEA Fellowship was above target; The aim for 100% of staff progress reviews to be completed by the given deadline had been achieved.

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, and the aim for 100% of the estate to be in condition A or B achieved in 2018/19.

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 total number of Home/EU undergraduate students, including returners, was in line with the forecast target for 2022/23, the new courses had all recruited well;
- The number of Home/EU FE students including returners was below the target set due to a variety of known reasons;
- The conversion rate target for Home/EU students was aspirational, interview/audition practices were reviewed annually to help maximise the conversion rate;
- The overall conversion rate was below the target, although some courses had achieved it;
- The University’s annual surplus was lower than in 2017/18 but better than the budgeted surplus and in line with the target set for 2022-23;
- With reference to net debt to income and cashflow available to service debt to debt service costs, the University had not yet had to draw the loan down;
- Payroll costs were below the maximum set and were carefully managed to ensure staffing was retained at an appropriate level.

The Board of Governors received the annual report against the University’s strategic plan indicators and key performance indicators (KPIs).

Part III - Academic Board report: for information & approval

7.0 Academic Board report. The Vice-Chancellor presented the Academic Board minutes of 26th June 2019.

Governors noted that: under the Articles of Government, the membership of the Academic Board of the University was set out in rules or bye-laws approved by the Board of Governors; the June 2019 meeting of the Academic Board was recommending that Governors should revise the membership of the Academic Board to include the new post of Head of Postgraduate Studies.
Governors noted that the minutes of the Academic Board meeting held in June 2019 also recorded that:

- Changes to the terms of reference of the Academic Board had been agreed;
- The BA (Hons) Creative Writing had been approved and the BA (Hons) Textile Design had been re-approved;
- A revised further education (FE) Self-Assessment Report template had been approved;
- The Concordat to Support the Career Development of Researchers, Gap Analysis and Action Plan update had been approved;
- The Diploma in Visual Arts, which was a level 2 precursor to the Access to Higher Education Diploma in Art and Design, had been closed for recruitment from September 2019.

In response to Governors questions, it was noted that:

- The BA (Hons) Textile Design had been re-approved subject to three conditions, one of which had been that course documentation should be revised to include the embedding of teaching on intellectual property rights within the course;
- It was intended that the above change would also be applied to other courses documentation as they went through the periodic review process;

The Board of Governors received the minutes of the Academic Board meeting held on 26th June 2019.

**PART IV - Financial & risk matters: items for review & information**

### 8.0 Financial matters: management accounts

The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented the management accounts for 31st July 2019, including a review of financial KPIs, which was considered. It was noted that the management accounts to 31st July 2019 reflected the pension scheme adjustment but were unaudited.

Governors noted that:

- The year-end operating surplus before the actuarial loss was 10% of income (£2.1 million), which was higher than the budgeted surplus of 6% but lower than the 2017/18 surplus of 18%, primarily due to the FRS 102 service cost increase and an increase in costs related to the new build, refurbishment costs and new equipment costs;
- Income was lower than budget due to lower than budgeted recruitment, which was partly offset by a strong retention rate, with a fees non-collection rate of 2.5% compared to a budget assumption of 5%;
- The University income stream had grown in line with the University's curriculum portfolio, with a corresponding increase in costs and staffing;
- The pension deficit has increased significantly due to an actuarial loss, mainly as a result of a reduction in the discount rate, with the potential costs of the McCloud judgment having been included in the expenditure line provisionally until the outcome of the judgment was known;
- The University had net assets of £27.5 million;
- The balance sheet had remained strong and cashflow had remained healthy;
• Cash reserves had remained high and the level of bad and doubtful debts had remained low.

The Pro-Vice-Chancellor Assurance & Director of Finance reported that the OfS had still to confirm the 2018/19 financial returns it required, including submission dates.

Governors discussed in detail the University's surplus, with reference to their responsibilities as charity trustees, including investing for the benefit of current and future students. It was noted that the University's financial strategy included surpluses in the range of 3-10% of income. The Pro-Vice-Chancellor Assurance & Director of Finance highlighted the fact that, due to investment in the new build, the 2018/19 surplus was the lowest surplus in recent years, with surpluses in 2017/18 and 2016/having been 18% and 16% respectively. The Vice-Chancellor confirmed that sustainability and value for money were at the forefront of all planning and budgeting and that it was hoped that there would be greater clarity on funding at the latest by the date of the Governors and Executive meeting in April 2020 to inform strategic discussions on future investment in resources.

**Action: Vice-Chancellor**

Governors noted, in discussion of pay expenditure, that employer's contributions to the Teachers' Pension Scheme (TPS) had increased to 23% and the possibility of future increases in employers' contributions to the Local Government Pension Scheme (LGPS).

The Board of Governors received the management accounts for 31st July 2019, noting the positive year-end position.

9.0 OfS annual risk assessment. The Board of Governors noted that an annual risk assessment report from the OfS had not been received in 2019 to date.

**PART V - Committee reports & minutes: for information**

10.0 Board of Governors: committee minutes & reports:
(i) Search & Nominations Committee. Mr Clements, as a member of the Search & Nominations Committee, gave a verbal report on key issues considered at the Committee meeting which had taken place earlier on 9th October 2019.

Governors noted, with reference to items considered at the above meeting that: in the absence of Ms Handa, the current Chair of the Committee, Mr Clements had been appointed as temporary Chair for the meeting; the Committee had considered current vacancies for 2 Independent Governors i.e. a vacancy for an Independent Governor with a creative background and for an Independent Governor with a financial/legal background; with reference to Board diversity, it had been noted that the Board of Governors was currently gender balanced; the Committee had noted, with reference to succession planning, that Mr Bagley's first 4-year term of office would end on 12th April 2020 and Mr Clements' final term of office would end on 16th July 2020. Mr Clements reported that Mr Bagley had confirmed that he would be happy to be considered for a second 4-year term of office.

It was noted in response to Governors' questions that: the vacancy for an Independent Governor with a financial/legal background had been advertised on the University website and externally, including on the Committee of University Chairs (CUC) website and the Women on Boards website; the closing date for applications was 31st October 2019.
Mr Clements reported that the Committee had also considered vacancies for a member of the Search & Nominations Committee and for the role of Senior Independent Governor, which had arisen on the retirement of Mr Flathers from the Board of Governors. To enable the Committee’s recommendations to be considered, Professor Cullen and Professor Pickles left the meeting.

The Board of Governors approved, on the recommendation of the Search & Nomination Committee, the appointment of Professor Cullen as Independent Senior Governor: proposed Dr Reid, seconded Mr Bagley.

The Board of Governors approved, on the recommendation of the Search & Nomination Committee, the appointment of Professor Pickles as a member of the Search & Nominations Committee: proposed Ms Edge, seconded Mr Whitehead.

Professor Cullen and Professor Pickles returned to the meeting.

The Board of Governors received a verbal report on key issues considered at the Search & Nominations Committee meeting held earlier on 9th October 2019.

### PART VI- Governance matters: recommendations for approval

**11.0 Revised committee terms of reference for inclusion in the Combined Governance Policies document.** The Board of Governors undertook its annual review of the terms of reference for its committees. Governors noted that the Audit Committee and the Remuneration Committee were each recommending revisions to their terms of reference.

Governors considered proposed revisions to the terms of reference of its committees and agreed the following additional amendments: the removal of the duplicate reference to ‘and TRAC(T) returns’ at new section r) in the Audit Committee’s terms of reference; the inclusion in the ‘Staff in attendance at meetings’ section of the Remuneration Committee terms of reference of a clarificatory statement that the Vice-Chancellor attends the Remuneration Committee ‘at the invitation of the Committee’; removal of Mr Flathers from the list of Remuneration Committee members and the addition of Ms Handa as an ex officio member (subject to her agreement to appointment as Chair of the Search & Nominations Committee); the removal of Mr Flathers from the list of Search & Nominations Committee members and the addition of Professor Pickles as a member.

The Board of Governors approved revised Committee terms of reference for inclusion in the Board of Governors’ Combined Governance Policies document, with the amendments noted above: proposed Dr Reid, seconded Mr Finnigan.

*Action: Clerk*  

**12.0 Standing Orders: review of section 4.1.** Dr Reid, Chair of the Remuneration Committee, reported that the Remuneration Committee, when considering its standing agenda list at its July 2019 meeting, had considered a representation from the external co-opted committee member that the appointment of the Chair of the Remuneration Committee by the full Board of Governors was a more robust example of governance practice than election by committee members only. The Remuneration Committee was therefore recommending that Chairs of the Board of Governors’ committees should in future be appointed by the Board of Governors and that each committee should then elect its own Vice-Chair.
The Clerk reported that: the current wording of section 4.1 of the Board of Governors’ Standing Orders would permit the proposed practice being recommended by the Remuneration Committee, should the Board of Governors decide to adopt it; the Search & Nominations Committee, which had met earlier on 9th October 2019, had not appointed a Chair or Vice-Chair for 2019/20, pending the Board of Governors’ decision on this matter.

The Board of Governors resolved that the Chairs of the Board of Governors’ committees should be appointed annually by the Board of Governors, with committee Vice-Chairs continuing to be elected annually by each committee at the first committee meeting of the year: proposed Dr Reid, seconded Mr Finnigan.

*Action: Clerk*

Mr Finnigan, the current Chair of the Audit Committee, and Dr Reid, the current Chair of the Remuneration Committee, declared an interest and left the meeting.

The Board of Governors approved the appointment of Mr Finnigan as Chair of the Audit Committee for 2019/20: proposed Ms Palmer-Jones, seconded Mr Bagley.

The Board of Governors approved the appointment of Dr Reid as Chair of the Remuneration Committee for 2019/20: proposed Ms Palmer-Jones, seconded Mr Bagley.

The Board of Governors approved the appointment of Ms Handa as Chair of the Search & Nominations Committee for 2019/20, subject to her acceptance of the role: proposed Ms Palmer-Jones, seconded Mr Bagley.

*Action: Clerk*

Mr Finnigan and Dr Reid returned to the meeting.

13.0 **Updated Code of Practice on Freedom of Speech.** The Board of Governors considered the University’s revised Code of Practice on Freedom of Speech & Expressions, which reflected the University’s obligations under section 43 of the Education (No.2) Act 1986 and under clause 8.2 of the Articles of Government, to have regard to the need to ensure that academic staff have freedom within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions without placing themselves at risk of losing their jobs or any privileges that they may have at the University.

Governors noted that: the University’s current Code of Practice on Freedom of Speech was based on a model issued by Eversheds; Eversheds Sutherland had issued a slightly revised model Code of Practice on Freedom of Speech & Expression in September 2018 and the University’s Code had therefore been amended accordingly i.e. a minor deletion was proposed at section 2.3. This change and an updated cross-reference at section 1.3 had been approved by the University’s senior management team for recommendation to the Board of Governors.

The Board of Governors considered the updated Code of Practice on Freedom of Speech and agreed the following additional amendments: at section 1.5, the addition of a reference to artistic representation; at section 2.3 the removal of ‘the majority of’ in the first sentence; in the first bullet point of section 2.3, removal of the statement ‘or otherwise be unlawful’, as this was a duplication; removal of the redundant ‘and’ at point (b) of the second bullet point of section 2.3.

Members discussed the provision in the Code for decisions on meetings to be made
by the Pro-Vice-Chancellor Academic, with any appeal against a decision of the Pro- 
Vice-Chancellor Academic to be made to the Vice-Chancellor. It was agreed that the 
Clerk would review the practice of other higher education providers in this respect 
and would report to the Board of Governors.

Action: Clerk

The Board of Governors approved the updated Code of Practice on Freedom of 
Speech, with the additional amendments noted above: proposed Mr Whitehead, 
seconded Dr Reid.

Action: Clerk

**PART VII - Governance matters: reports for information**

14.0 **Use of the University seal.** As required under the Board of Governors' Standing 
Orders, the Board Governors considered and received a report on the use of the 
University seal since the Board of Governors meeting held on 3rd July 2019 i.e. on 
the sealing and signing of the renewal lease for Geoff Hodgson House, JCT Design & 
Build Contract 2016 in respect of the MAC computer suites refurbishment and boiler 
replacement, nomination agreement with Liberty Park and Liberty Dock.

15.0 **Chair’s action report.** As required under the Board of Governors’ Standing 
Orders, the Board considered a report on Chair’s action taken since the Board of Governors 
meeting held on 3rd July 2019 [confidential minute]. Governors noted that, under 
the University's Financial Regulations, any order over £100,000 required approval by 
the Board of Governors but, due to lead times and the start of the academic year in 
September, approval had been sought using the Chair’s action. The Chair confirmed 
that he had been happy that the University's processes and procedures had been 
followed.

The Board received a report on Chair’s action taken since the Board of Governors 
meeting held on 3rd July 2019.

16.0 **Instrument & Articles of Government: role of the Privy Council.** The Clerk 
reported that Privy Council oversight of HE governing documents had ceased on 1st 
August 2019 for higher education corporations, effected by Schedule 8 of the Higher 
Education & Research Act (HERA) 2017 which amended the Education Reform Act 
(ERA) 1988. It was noted that the amendment stated that a higher education 
corporation in England may ‘vary, replace or revoke’ its instrument or articles of 
government.

Governors noted that the Clerk had, however, recently received informal advice 
from Eversheds’ Sutherland that, before a higher education corporation could make 
vary, replace or revoke’ its Instrument &/or Articles of Government, it would need 
to revise those sections of the Instrument and Articles which referred to Privy 
Council approval, which would require submission of those changes to the Privy 
Council.

The Board of Governors agreed that the Clerk should seek formal advice from 
Eversheds Sutherland on the revisions which would be required to the University’s 
Instrument & Articles of Government for submission to the Privy Council to enable 
the Board of Governors to subsequently ‘vary, replace or revoke’ its Instrument &/or 
Articles of Government as it may determine and as Schedule 8 of HERA 2017 
permits: proposed Dr Reid, seconded Mr Bagley.

Action: Clerk
17.0 **Report on documents &/or links from outside bodies.** The Clerk reported that the Office for Students (OfS) annual accountability schedule would normally be presented to the Board of Governors’ October meeting but, as it was now expected that the OfS would issue the 2019/20 schedule in mid-Oct. 2019, this would be presented to the Board of Governors’ November 2019 meeting.  

*Action: Clerk*

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**PART IX - Final matters**

18.0 **Any other business.** There was no other business.

19.0 **Risk Management.** There were no new items of risk identified at the meeting.

20.0 **Date of next meeting.** It was noted that the Board of Governors was next due to meet on Wednesday 27th November 2019 at 1.30pm. Mr Clements (Chair of the Board of Governors) and Mr Bagley gave apologies for the meeting.  

*Action: Clerk*

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**PART X - Reserved Matters**

21.0 **Exclusions.** The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance), Ms G Edge (elected & co-opted Staff Governor), Ms O Motema (Elected Student Governor), Ms A Palmer-Jones (Students’ Union President/Student Governor) and Professor R Whittaker (Pro-Vice-Chancellor Academic).

22.0 **Reserved Matters: minutes of the Board of Governors meeting held on 3rd July 2019.** The confidential Reserved Matters of the Board of Governors meeting held on the 3rd July were approved: proposed Mr Ramshaw, seconded Dr Reid.

23.0 **Action plan update & matters arising.** Governors noted that there were no actions or matters arising from the minutes to be considered and no update on the minutes to be received.

24.0 **Reserved Matters: confidential Remuneration Committee minutes of 3rd July 2019.** It was noted that the approved confidential Remuneration Committee minutes of the 3rd July 2019 would be presented to the November 2019 meeting of the Board of Governors for information.

25.0 **Annual review of confidential minutes.** It was noted that the confidential minutes review would take place at the Board of Governors’ November 2019 meeting.

26.0 **Any other business arising from the Reserved Matters agenda.** There was no other business.

27.0 **Risk Management.** There were no new items of risk identified during the Reserved Matters section of the agenda.
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 9th October 2019 were approved: proposed Mr Finnigan, seconded Professor Cullen.
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 updated the Board of Governors on action 14, which related to a discussion at the October 2019 Board of Governors' meeting concerning the provision in the University Code of Practice on Freedom of Speech & The Clerk reported that she had reviewed the practice of other higher education providers, where this was publicly available, noting that most of those she had reviewed appeared to follow a similar procedure i.e. with the initial decision made by a member of staff below Vice-Chancellor level and an appeal at Vice-Chancellor level. The Vice-Chancellor confirmed that she and the Pro-Vice-Chancellor Academic were happy to administer the procedure as drafted.

The Board of Governors received the action table report, noting that there were no other matters arising from the minutes.

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**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 2019. Governors noted, in particular, the following areas included in the report.

(i) **Estates**
Governors noted that the University had received confirmation that the final Building Research Establishment Environmental Assessment Method (BREEAM) certification for the Blenheim Walk extension had been achieved, with the development successfully retaining a BREEAM Very Good rating.

(ii) **Research**
Governors noted that: the University had received notification from Research England that its Code of Practice for selecting staff outputs for REF2021 had been approved; the University had also successfully retained the HR Excellence in Research charter. The positive amount of research that had taken place, which was highlighted in the report, was noted.

(iii) **Tier 4 Sponsor status**
Governors noted that the UK Visas & Immigration had informed the University that it had met all of the core requirements and had maintained its Tier 4 Sponsor status, which had to be applied for annually by the University to enable it to recruit international students.

(iv) **Support provided for students who experience sexual harassment/assault**
The Vice-Chancellor reported that Audit Committee members had noted at its October 2019 meeting, with reference to the possible inclusion of safeguarding as a potential area for future internal audit review, recent press reports on HE students and sexual harassment. It had been noted at the Audit Committee meeting that, while this would not fall to be considered under the heading of safeguarding, which was specifically concerned with students aged under 18 years and with vulnerable adults, the Vice-Chancellor would, however, include details of support provided to students in relation to this matter in her CEO's report to provide reassurance to Governors. A detailed report had therefore been included in the current report, which was discussed.

It was noted in response to Governors’ questions that: The University had engaged with The Consent Collective for the last 12 months, which was a not-for-profit collaboration of experts, activists and performers who helped organisations and communities talk about consent, sexual harassment and domestic abuse, providing information, training and advice; The Consent Collective worked with HE institutions i.e. with institutions where students would normally be over the age of 18; with reference to student engagement with issues relating to consent and harassment, work was undertaken by the
University's Student Support team to facilitate student engagement generally and with the Students' Union specifically, with the materials provided by The Consent Collective very accessible; with reference to wider issues such as student mental health, in addition to other support, the University was now a subscriber to the Big White Wall, which offered 24/7 support for students and staff with their mental health.

It was agreed that Ms Handa, as the Lead Governor for Equality and for Safeguarding, would meet with the Vice-Chancellor to discuss the issues considered further as an update on the work she has previously observed.

**Action: Vice-Chancellor/Ms Handa**

(iv) **Access and Participation Plan Update**
It was noted that the University's Access and Participation Plan had now been approved by the Office for Students (OfS) and that a report was on the agenda.

(v) **RIDDOR report**
It was noted that the Health & Safety Executive (HSE) had not contacted the University to date concerning the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) report made in January 2019.

(vi) **Prevent**
It was noted that there had been no channel referrals or escalations of internal procedures regarding visiting speakers since the report given in October 2019.

(vi) **Successes**
The Chair of the Board of Governors, Mr Clements, drew attention to the section in the report on student successes, noting the significant number listed, noting also the quality of the photographic material illustrating the report.

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

6.0 **Key performance indicator (KPI) report.** Governors noted that, as the KPI report remained unchanged from that presented to the October 2019 Board of Governors’ meeting, there was no update to be presented to the current meeting.

7.0 **Academic Board report.** Governors noted that the Academic Board had met on the 18th November 2019 and that the minutes of the meeting would be presented to the January 2020 Board of Governors’ meeting.

**Action: Clerk**

8.0 **Annual report on student academic experience, student outcomes & degree standards.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey presented the University’s annual report on student academic experience, student outcomes and degree standards for 2018/19, for information.

Governors noted that historically HEFCE and the OfS had collected annual assurances from the governing bodies of higher education institutions, through the Annual Assurance Return, in relation to the student academic experience, student outcomes and standards of awards. Whilst the OfS no longer required the signed statement previously provided, a report had been produced by the University to ensure that Governors had sufficient information and context in order to assure themselves that conditions B1, B2, B3, B4 and B5 of the OfS ongoing conditions for registration had been met.
Governors noted that the Academic Board (as the most senior academic body with responsibility for advising the Vice-Chancellor on all matters relating to academic regulations, academic standards, quality, enhancement and the student experience) had approved the report as its meeting on the 18th November 2019.

Governors’ attention was drawn, in particular, to the following:

- The report outlined the assurance approach and key features of the methodologies used to improve the student academic experience and student outcomes;
- The University’s National Student Survey (NSS) overall satisfaction score was noted in the report to be above the Creative Arts and Design benchmark although slightly lower than the sector average satisfaction;
- Student continuation was noted to be high, with low representation groups an area for future focus as set out in the Access and Participation Plan;
- To ensure OfS continuing registration, the University needed to meet the OfS baselines which applied to undergraduate and postgraduate provision;
- With reference to employability, the graduate outcome survey results would be available in spring 2020;
- In 2018-19 the proportion of first class and 2:1 degrees decreased and was slightly above the latest HESA benchmark;
- The University’s 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’;
- During 2018-19, the University’s internal auditors undertook an assurance review of course approval and periodic review, resulting in an award of Substantial assurance;
- The University’s internal auditors would review Quality Management as part of the 2019/20 internal audit plan;
- The Annual Quality Report Action Plans 2018-19 and 2019-20, which were attached as appendices to the report;
- Areas of future focus were discussed.

In response to Governors questions:

- No systematic issues had been identified, with the University focusing on addressing issues identified in relation to a small number of courses;
- Student feedback had been reviewed by course teams and considered as part of Annual Course Evaluations;
- With reference to communication with students, the University’s senior management team (SMT) had active engagement with the student body through meetings with student representatives and the Students’ Union, and there was student involvement in the deliberative committee structure.

The Board of Governors received the University’s report for 2018/19 on the student academic experience, student outcomes and degree standards.

**PART IV - finance, including remuneration matters: items for consideration**

9.0 **Management accounts.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey presented the management accounts for the period ending 31st October 2019, including a review of the financial KPIs.

Governors noted that:

- HE recruitment had been better than expected for Home and EU students and there had been higher than expected Level 5 and Level 6 returners;
- Payroll was favourable against budget due to the timing of staff appointments;
• There had been a significant investment in resources;
• Cash reserves remained high;
• The level of bad and doubtful debts remained low.

The Board of Governors received the management accounts for 31st October 2019, including the financial KPIs, noting a positive start to the 2019/20 financial year.

10.0 Remuneration Committee annual report. Governors noted that the Committee of University Chairs (CUC) had issued guidance on senior staff remuneration in June 2018 i.e. The Higher Education Senior Staff Remuneration Code; The Context for the Higher Education Senior Staff Remuneration Code; A Possible Outline Structure for a Remuneration Annual Report to the Governing Body, which had been considered by the Remuneration Committee.

Mr Finnigan, as Vice-Chair of the Remuneration Committee, reported that the Remuneration Committee has approved, at its meeting on 13th November 2019, the annual report on senior post-holder remuneration for the financial year ended 31st July 2019 for presentation to the Board of Governors. Mr Finnigan reported that the report, if adopted by the Board of Governors, would be placed on the Governance section of the University’s website, with appropriate links i.e. links to the University’s Annual report and Financial Statements for the year ended 31st July 2019 and to the University’s policy on income derived from external activities.

The Board of Governors approved for adoption and publication on the University website the Remuneration Committee’s annual report for the financial year ended 31st July 2019: proposed Professor Cullen, seconded Mr Bagley.

Action: Clerk

11.0 Audit Committee annual report. The Chair of the Audit Committee, Mr Finnigan, presented the Audit Committee annual report 2018/19, including the following appendices: the internal audit report from TIAA Ltd for the year ended 31st July 2019, the external auditors’ report to the Audit Committee from KPMG for the year ended 31st July 2019, and the University’s risk register for September 2019.

Governors noted that:
• The Audit Committee was required, under the Audit Code of Practice issued by the OfS, to provide assurance to the Board of Governors on the adequacy and effectiveness of: risk management, control and governance; economy, efficiency and effectiveness (value for money); and the management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, OfS, Research England and other bodies.
• The Committee’s Annual Report 2018/19 included a positive overall opinion.

Mr Finnigan noted that the Audit Committee's annual report included a review of the work of the internal auditors for 2018/19, TIAA Ltd, which had been considered by the Committee, noting that their work 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. There was evidence to support the University’s achievement of value for money with regard to economy, efficiency or effectiveness of the systems reviewed. 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 2018/19, noting that the audit report arising from the external audit for the year ended 31st July 2019:

- Indicated that KPMG anticipated issuing an unqualified audit opinion 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;
- 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 Appendix A to KPMG’s report concerning issues arising from the Lloyds Bank case on Guaranteed Minimum Pension (GMP) equalisation, which was expected to increase pension liabilities for public sector pensions, noting that: KPMG had noted during the course of its audit that the University’s actuaries had applied an ‘approximate’ method when calculating the additional past service cost in relation to the GMP and, whilst KPMG had stated that they were not expecting there to be a material misstatement from the use of this methodology, they were recommending that in future accounting periods, the University should ask its actuaries to utilise a method of calculating tailored to its own membership composition. The Audit Committee had noted at its November 2019 meeting that the management response to KPMG’s recommendation had stated that any provision required as a result of GMP was expected to be included in the actuaries’ standard calculations from 2019/20 but, if this was not the case, the University would ensure that a separate calculation was prepared on an accurate rather than an approximate basis.

Mr Finnigan noted, with reference to the risk register, that this was compiled and regularly reviewed by the University’s senior management team (SMT), reviewed 3 times during the year by the Audit Committee, with identification of new risks a standing agenda item for the Board of Governors and its committees.

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 2018/19 and approved it for submission to the OfS: proposed Professor Cullen, seconded Mr Bagley.

**Action: PVC Assurance & Director of Finance**

12.0 **Annual assurance return to the OfS.** The Board of Governors considered the University’s 2018/19 Annual Assurance return to the OfS, which had been considered at the Audit Committee meeting held on 13th November 2019 for presentation to the Board of Governors.
The Board of Governors considered and received the University's 2018/19 Annual Assurance return and approved the signing of the return by the Vice-Chancellor, as the University's Accountable Officer, for submission to the OfS: proposed Professor Cullen, seconded Mr Bagley.

Action: Vice-Chancellor

13.0 Members’ report & annual financial statements for the year ended 31.7.19. The Chair of the Audit Committee, Mr Finnigan, presented the report and financial statements for the year ended 31st July 2019.

It was 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 and recommending the annual financial statements to the Board of Governors for approval.

Mr Finnigan reported that the November 2019 meeting of the Audit Committee had noted that:
- The outturn for the financial year in the financial statements was unchanged from that included in the July 2019 management accounts presented to the Board of Governors at its October 2019 meeting;
- There had been an actuarial loss for the year in respect of the West Yorkshire Pension Fund (WYPF), noting its effect on the surplus shown in the Statement of Comprehensive Income for the financial year ended 31st July 2019;
- The University’s external auditors had identified no issues in respect of the University’s status as a going concern or in relation to the regularity of the University’s expenditure and anticipated issuing an unqualified audit opinion on the financial statements, subject to their approval by the Board of Governors.

Governors noted the University's net pension liability had increased substantially from the prior year due to an actuarial loss suffered by the WYPF overall as a result of changes in the discount rate applied by the actuary. The effect of increasing employers’ pension contribution costs had also been noted and their effect on overall pay costs.

Mr Finnigan drew Governors’ attention to the statements in strategic report and public benefit statement, including the student achievements report, the Statement of Corporate Governance and Internal Control, and to the Notes accompanying the accounts, including at Note 6 (Key management personnel) a statement of the relationship between the Vice-Chancellor’s basic pay and the median pay of all other employees expressed as a pay multiple, as required by the OfS.

The Board of Governors approved the Members’ Report and the annual Financial Statements on the recommendation of the Audit Committee: proposed Ms Handa, seconded Mr Bagley.

It was 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 2nd December deadline.

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

14.0 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 2019 meeting.
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 and November 2019 meetings of the Audit Committee had received management representations from the Vice-Chancellor, the PVC Assurance & Director of Finance, the PVC Academic and the PVC Student Experience & Resources on breaches of laws and regulations, actual or suspected frauds, and the existence of related party transactions, noting that none had declared that they were 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 Board of Governors approved the letter of representation to the external auditors, on the recommendation of the Audit Committee, for signing and submission to KPMG: proposed Mr Bagley, seconded Ms Handa.

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

**15.0 Financial return.** The Pro-Vice-Chancellor (PVC) Assurance & Director of Finance, Ms Bailey, presented to the Board of Governors the updated financial forecasts and commentary for submission to the OfS.

Governors noted that: the process for providing financial year end and financial forecast information to HESA and the OfS had changed i.e. historically the financial forecasts had been submitted to OfS/HEFCE in July and in December a finance record return covering the previous two year ends had been submitted to HESA; the 2 returns had now been combined, new additional information on student numbers was required and the deadline for submission to the OfS was noon on 2nd December 2019 with a final sign off by noon on 10th January 2020.

Governors noted that the report of the PVC Assurance & Director of Finance recorded that the OfS Regulatory advice stated the following: ‘The information about financial performance and position enables the OfS to:

- a. Assess a provider’s financial viability and sustainability and make a judgement about the risk that it may breach condition D in future. This informs the mitigations that the OfS imposes on providers where the OfS identifies a higher risk of future breach of the condition.
- b. Assess the patterns and trends in financial sustainability of registered providers at a sector level. This enables the OfS to fulfil its statutory duty under section 68 of Higher Education and Research Act 2017 (HERA).
- c. Support evidence based policy making through provision of OfS advice to government, e.g. Department for Education, HM Treasury (the OfS won’t share forecasts of individual providers with other bodies).
- d. Provide data relating to the last complete year to HESA for publication as an official statistic, which supports providers in benchmarking their performance against others. The provider will need to provide all the required information and to complete the financial return workbook in full’.

It was noted that the OfS requirements included: financial forecasts and commentary to be approved by the Board of Governors prior to submission and the sign off form signed by the University’s Accountable Officer; any material changes to historic or forecast financial data or performance following this financial submission being treated as a reportable event under condition F3.

Ms Bailey reported that: the budget had been approved by the Board of Governors at the meeting on 3rd July 2019 and formed the basis of the financial forecasts which were being
considered by Governors at the current meeting; the approved budget had been updated for known factors such as the actual student recruitment position at October 2019, changes in staffing, and other volume related costs; the full financial return had been uploaded to the Governance section of eStudio.

In response to Governors’ questions, it was noted that the increasing staff costs related to the increase in student numbers and the introduction of new courses to the portfolio, together with increases in employers’ contributions to the Teachers’ Pension Scheme (TPS) from September 2019, and that increased operational costs related to the new courses and summer refurbishment costs.

The Board of Governors approved the updated financial forecasts and commentary for submission to the OfS: proposed Mr Finnigan, seconded Professor Wonnacott.

**Action: PVC Assurance & Director of Finance**

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

#### 16.0  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 31.7.19, noting that the report had been prepared by Ms Cook, Students’ Union Liaison Officer.

Governors commended the wide range of activities undertaken by the Students’ Union during 2018/19, given its relatively modest budget, noting that the financial outcome for 2018/19 also showed little variance from budget.

Governors also commended the Students Union on their National Student Survey (NSS) score which remained consistently high.

The Students’ Union President, Ms Palmer-Jones, expressed the Union’s appreciation for the work undertaken by Ms Cook, Students’ Union Liaison Officer.

The Board of Governors received the Students’ Union annual report and approved the Students’ Union accounts for the year ended 31st July 2019: proposed Mr Bagley, seconded Professor Cullen.

#### 17.0  Internal audit strategy.

Mr Finnigan, as Chair of the Audit Committee, reported that:

Haines Watts Controls & Assurance (HWCA) had been appointed by the Board of Governors as the University’s internal auditors for a 3-year period from 2019/20; the Audit Committee had considered HWCA’s draft internal audit strategy for 2019/20 at its October 2019 meeting and were recommending it to the Board of Governors for approval

Mr Finnigan reported that HWCA had met with the Pro-Vice-Chancellor Assurance & Director of Finance, the Head of Finance and the Chair of the Audit Committee prior to drafting the document and had considered strategy with reference to the University’s risk register, key emerging themes for the higher education sector, and the need for ongoing assurance in relation to key aspects of internal control.

Mr Finnigan reported that the number of internal audit days had been increased for 2019/20.
The Board of Governors approved the internal audit strategy 2019/20, on the recommendation of the Audit Committee: proposed Ms Edge, seconded Ms Handa.

18.0 **Annual Prevent duty report.** The Pro-Vice-Chancellor Student Experience & Resources, Professor Russell, reported that the University was required to submit a Prevent monitoring return to the OfS by the 2nd December 2019.

To enable the Board to have confidence that the University was carrying out its duties in relation to Prevent and managing this area appropriately, a Prevent annual monitoring report had been produced which outlined how the University met its duty between 1st August 2018 and 31st July 2019. Governors considered the report, including the following documents to be submitted to the OfS: Prevent monitoring accountability statement; Prevent accountability data return.

Governors noted that the University's Prevent staff working group was chaired by Professor Russell as the University's Prevent Lead and that Professor Russell was also a member of the local Prevent Silver Group, which linked the University into partnerships across the City to share information, good practice and to promote dialogue. Governors noted that part of Professor Russell's role as the University's Prevent lead included reporting to the Board of Governors through an annual report and that, in addition, the Board of Governors also received at each meeting the Vice-Chancellor’s report, which included a section on escalations of internal processes regarding referrals or visiting speakers, noting that there had been no escalations in 2018/19. It was noted that the University kept the Prevent risk assessment and action plan under regular review.

The Board of Governors received the University's Prevent duty monitoring report for 2018/19 and approved the Prevent accountability data return and the Prevent monitoring accountability statement for signing by the Chair of the Board of Governors and submission to the OfS: proposed Mr Bagley, seconded Professor Cullen.  
*Action: Chair/PVC Student Experience & Resources*

19.0 **Legal advice on changes to the Instrument & Articles of Government & OfS reportable events sheet.** The Clerk to the Board of Governors reported that Governors had noted at their October 2019 meeting that:

- Privy Council oversight of the governing documents of higher education corporations had ceased on 1st August 2019, effected by Schedule 8 of the Higher Education & Research Act (HERA) 2017 which had amended the Education Reform Act (ERA) 1988;
- The amendment stated that a higher education corporation in England may ‘vary, replace or revoke’ its instrument or articles of government;
- Informal advice from Eversheds’ Sutherland was that, before a higher education corporation could make vary, replace or revoke’ its Instrument &/or Articles of Government, it would need to revise those sections of the Instrument and Articles which referred to Privy Council approval, which would require submission of those changes to the Privy Council.

It was noted that the Board of Governors had agreed at its October 2019 meeting that the Clerk should seek formal advice from Eversheds Sutherland on the revisions which would be required to the University's Instrument & Articles of Government for submission to the Privy Council to enable the Board of Governors to subsequently ‘vary, replace or revoke’ its Instrument &/or Articles of Government as it may determine and as Schedule 8 of HERA 2017 permits.

The Board of Governors received and considered the following documents:

- Proposed revisions to the Instrument & Articles of Government prepared by
Eversheds Sutherland for submission to the Privy Council for their approval;

- Advice from Eversheds Sutherland on the proposed revisions and advice that the revisions should be treated as a reportable event in relation to OfS condition E2 (The provider must have in place adequate and effective management and governance arrangements) of the OfS Conditions of Registration;
- A copy of the University’s draft completed OfS reportable events form.

The Clerk reported that:

- Should the Board of Governors resolve to approve the revised Instrument & Articles of Government for submission to the Privy Council, it was proposed that a report to this effect should be made to the OfS following the current Board of the Governors’ meeting, with a copy of the revised documents approved by the Privy Council submitted to the OfS following their approval by the former;
- OfS Regulatory Advice 16 (Reportable events) stated at paragraphs 21 & 22, with reference to condition of registration F3 (provision of information to the OfS’), that “21. Condition F3 requires a provider to notify the OfS of a reportable event ‘as soon as reasonably possible once such an event is contemplated or the provider becomes aware of it, or that it is likely to occur. 22. In all cases, as set out in the enduring requirement in both the F3 Notice in Annex E of a provider’s registration decision letter and the updated F3 Notice issued to registered providers on 15 October 2019, ‘reportable events must be reported to the OfS within five days of the date that the event is identified or, if that is not possible due to exceptional circumstances beyond the control of the provider, as soon as reasonably practicable thereafter and without undue delay’”.

The Board of Governors approved the following amendment to the draft revised Instrument of Government: that the reference to the OfS in the Interpretation section of the revised Instrument of Government should be amended to read “OfS” means the Office for Students, a non-departmental public body of the Department for Education, acting as the regulator and competition authority for the higher education sector in England or any successor body.

**Action: Clerk**

The Board of Governors approved the proposed revisions to the Instrument & Articles of Government, amended as noted above, for submission to the Privy Council, and the proposed reportable events form for submission to the OfS: proposed Ms Handa, seconded Mr Bagley.

**Action: Clerk/PVC Assurance & Director of Finance**

20.0 **Minor revisions to Senior Post-holder Remuneration Procedure.** The Vice-Chair of the Remuneration Committee, Mr Finnigan, noted that the annual review of the senior post-holder remuneration procedure had taken place at the Remuneration Committee’s July 2019 meeting, with minor amendments agreed for recommendation to the Board of Governors. It was noted that the Remuneration Committee terms of reference included at Appendix A to the senior post-holder remuneration procedure, were the version approved by the Board of Governors in Oct. 2019.

The Board of Governors approved the revised senior post-holder procedure: proposed Professor Cullen, seconded Ms Handa.

**21.0** **OfS: compliance with ongoing conditions of registration.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey presented a report on compliance with the ongoing conditions of OfS registration.
Governors noted that Ms Bailey’s report confirmed that:

- From the 1st August 2019, all registered providers were required to comply with all of their ongoing conditions of registration;
- A table showing the list of conditions and their current status, which was attached as an appendix to the report, showed that all conditions had been met by the University to date [confidential minute].

Ms Bailey reported in connection with condition G3 (Payment of OfS and designated body fees), that the Chair of the Board of Governors had received a letter from the OfS dated 21st October 2019 which stated that the University had failed to make the payment of fees to the Quality Assurance Agency (QAA) as Designated Quality Body (DQB) on time, noting that 249 other providers had also failed to make this payment on time. The OfS letter stated that ‘. . . the Quality Assurance Agency for Higher Education (QAA), had written to providers setting out the deadlines for submission for payment’. The letter noted that the OfS considered missing the payment deadline to be a breach of providers’ conditions of registration but, as a transitional measure, the OfS would not take enforcement action against providers on this occasion and had instead requested that providers’ governing bodies discuss the reasons for any missed deadline and the steps that had been taken to prevent a recurrence, with a record of the discussion to be submitted to the OfS as proof that it had taken place.

**Action: Clerk/PVC Assurance & Director of Finance**

Ms Bailey presented a detailed report in relation to the request for and payment of the relevant QAA fee, together with a copy of an email received from the QAA, dated 18th July 2019, noting that payment of the fee was overdue and stating that if the invoice had recently been paid no further action needed to be taken. Governors noted that the invoice had been paid by the University as part of a payment run which took place on 17th July 2019, with payment clearing on 22nd July 2019, and that the finance team e-mailed the QAA on 22nd July 2019 to inform them of this.

The PVC Assurance & Director of Finance confirmed that the University’s QAA and Higher Education Statistics Agency (HESA) accounts had been set to immediate payment and that they had been contacted to request that invoices be sent directly to the finance department in future rather than to other staff within the University; a direct debit had already been set up to pay the OfS annual fee.

The Board of Governors discussed and noted a report from the PVC Assurance & Director of Finance on compliance with the ongoing conditions of OfS registration with reference to a letter from the OfS dated 21st October 2019.

The PVC Assurance & Director of Finance reported that a report on compliance with the ongoing conditions of OfS registration would in future be presented to the Board of Governors at least annually.

**Action: Clerk/PVC Assurance & Director of Finance**

**22.0 OfS: Access & Participation Plan 2020/21-2024/25.** The Pro-Vice-Chancellor Student Experience & Resources, confirmed to the Board of Governors that: the University had now received notification that its five year Access and Participation Plan (APP) had been approved by the OfS for its first year of operation; approval for future years would roll forward on the basis that annual monitoring reports to OfS were deemed satisfactory.

As previously reported, it was noted that: OfS approval followed from an iterative process since the plan was first approved by Governors and submitted by the original deadline at the beginning of July 2019; with the exception of adjustments in response to OfS requests for clarification and some more detail that showed growth in widening participation activity over time, the main amendments to the original submission had been:
• The inclusion of a new target for the participation of IMD (Index of Multiple Deprivation) groups and an objective to increase the University’s understanding of the barriers facing these groups, so that further targets in continuation and progression for these groups might be set in future plans;
• An objective to increase the University's understanding of the issues affecting progression to employment for students according to POLAR4 groups and to determine measures to address any gaps;
• Greater reference to the University’s work with care leavers through its partnership with Go Higher West Yorkshire;
• Further reference to achieving parity of achievement between those with a disability and those without;
• A reference to ensuring that student involvement in monitoring the plan would include those from under-represented groups.

Governors noted that OfS approval was subject to enhancement monitoring that was specifically linked to the first 2 points outlined above, as well as the use of an OfS financial toolkit referenced in the APP, which correlated the award of financial bursaries to students and their continuation on their courses.

Professor Russell reported that: the first monitoring report against the plan was due to be submitted in January 2022 (following its approval by the Board of Governors); it was not yet clear how the OfS would require monitoring against the plans for 2018/19 and 2019/20 and Governors would be advised when this was known.

The Board of Governors received the University's report on the Access and Participation Plan 2020/21-2024/25.

23.0 Annual Health & Safety Report. The Pro-Vice-Chancellor Student Experience & Resources, Professor Russell, presented the Health & Safety Report 2018/19, which had been produced by the Head of Estates.

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. Professor Russell stated that the report had been presented to the Health and Safety Committee in October 2019, with the Committee judging the report to be accurate and complete.

It was noted that: data on the overall number of reported incidents for both staff and students in the previous 3 years showed that incidents had increased, noting that this increase corresponded to a rise in number of students and staff in the reporting period; new comprehensive risk and safety guidance handbooks had been issued for areas and courses; there had been one reportable RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incident in 2018/19.

It was noted in response to Governors questions that: the University had notified its insurers of the RIDDOR incident.

The Board of Governors received the University's Annual Health & Safety Report 2018/19.

24.0 Safeguarding Children & Vulnerable Adults Annual Report. The Pro-Vice-Chancellor (PVC) Student Experience & Resources, Professor Russell, presented the Safeguarding Children & Vulnerable Adults Annual Report which set out arrangements, activities and incidents in 2018/19 relating to the safeguarding of children aged under 18 and vulnerable adults aged 18 and over.
Governors noted that whilst Universities and HEIs were not specified as being subject to the Government’s guidance ‘Working Together to Safeguard Children’ (2015) or the Care Act (2014, 2017), which set out the requirement for schools and colleges to produce an annual report with an analysis of the effectiveness of their safeguarding arrangements, the University considered it prudent that Governors should continue to receive an annual report in this area given the University’s further education provision.

The PVC Student Experience & Resources reported that the University was committed to safeguarding the welfare of its students and staff, and to meeting its duties under the Counter-Terrorism and Security Act (2015) and the UK Government’s associated Prevent strategy. Governors noted that the information in the report referred to the Prevent duty in relation to safeguarding children and vulnerable adults only and that a report detailing how the University met its wider Prevent duty as an institution was produced separately, with the report for 2018/19 considered earlier on the agenda.

The Board of Governors received the University’s Safeguarding Children & Vulnerable Adults Annual Report 2018/19.

25.0 **Code of Governance & Statement of Primary Responsibilities report.** The Clerk reported that: the June 2015 meeting of the Board of Governors agreed to adopt the CUC Higher Education Code of Governance (2014, revised 2018) (the *Code*) from 1 Aug 2015; the *Code* was premised on an ‘apply or explain’ basis i.e. a governing body must explain where it considers a whole primary element or a supporting ‘must’ statement inappropriate.

Governors noted that: the full 2018/19 report against the Code had been considered and approved by the Audit Committee at its November 2019 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 published on the University website.

*Action: Clerk*

The Board of Governors received the 2018/19 summary report against the Code of Governance & Statement of Primary Responsibilities report, noting that the primary elements in the Code and the responsibilities in the Statement had been applied.

26.0 **Report on use of the seal.** Governors noted that the seal had not been used since the October 2019 meeting of the Board of Governors.

27.0 **Report on Chair’s action.** Governors noted that no Chair’s action had been taken since the October 2019 meeting of the Board of Governors.

28.0 **Report on CUC October 2019 plenary.** It was noted that: the University was a member of the Committee of University Chairs (CUC); the Chair of the Board of Governors was invited to attend national and local CUC events; where the Chair was unable to attend, events could be attended by other Governors on his behalf e.g. Mr Finnigan (Deputy Chair of the Board of Governors) had attended a Committee of University Chairs (CUC) Northern Group event on 3rd October 2019 at the University of Leeds and Dr Reid (Chair of the Remuneration Committee) attended the CUC autumn plenary in London, 10th to 11th October 2019. The Chair of the Board of Governors drew Governors’ attention to the report on the CUC plenary submitted by the Chair of the Remuneration Committee.

The Board of Governors received a report on the CUC October 2019 plenary.
29.0 Documents/links from outside bodies. The Board of Governors noted the links to the following documents that had been published since their meeting in October:
- OfS Value for Money strategy 2019 to 2021 (18 Oct. 2019);
- OfS Regulatory Advice 16: Reportable events (15 Oct. 2019);

30.0 Board of Governors: committee minutes & reports.

30.1 Search & Nominations Committee. The Board of Governors received the unconfirmed Search & Nominations Committee minutes of the meeting held on 9th October 2019.

30.2 Audit Committee. The Board of Governors received the confirmed minutes of the Audit Committee meeting held on 9th October 2019.

30.3 Audit Committee. The Board of Governors noted that the minutes of the Audit Committee meeting held on 13th Nov. 2019 would be presented to the January 2020 meeting of the Board of Governors.

31.0 Any other business. There were no new items of business.

32.0 Risk Management. There were no new items of risk identified at the meeting.

33.0 Date of next meeting: It was noted that the Board of Governors was next due to meet on Wednesday 22nd January 2020 at 1.30pm.

34.0 Exclusions. The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms A Palmer-Jones (Students’ Union President/Student Governor), Ms G Edge (elected & co-opted Staff Governor), Ms O Motema (Elected Student Governor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), and Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance). The Vice-Chancellor was invited to remain in attendance.

35.0 Reserved Matters minutes of the previous meeting. The Board of Governors noted that the Reserved Matters minutes of the Board of Governors’ meeting held on 9th October 2019 were in the public domain, having been approved at agenda item 3 above.

36.0 Remuneration Committee minutes of 3rd July 2019. The Board of Governors received, for information, the confidential approved Remuneration Committee minutes arising from the meeting held on 3rd July 2019.

37.0 Remuneration Committee minutes of 13th November 2019. The Board of Governors noted that the minutes of the Remuneration Committee meeting held on 13th November 2019 would be presented to the January 2020 meeting of the Board of Governors. It was noted that the main item considered at the meeting was the Remuneration Committee
report 2018/19, which had been considered earlier on the Board of Governors’ agenda at agenda item 10.

*Action: Clerk*

38.0 **Any other business.** There were no any other business arising from the Reserved Matters agenda.

39.0 **Risk Management.** There were no new items of risk identified at the meeting under the Reserved Matters agenda.
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 25th November 2019 were approved with an amendment at minute 14 i.e. 'not' should be removed from the first bullet point of the second paragraph: proposed Ms Handa, seconded Mr Whitehead.

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.

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 January 2020. Governors noted, in particular, the following areas covered by the report.

(i) **Academic Enrolment, Retention and Success Rates**

The Pro-Vice-Chancellor Assurance & Director of Finance gave a verbal report on higher education (HE) undergraduate applications noting that applications appeared to be generally in-line with the previous year with the exception of EU applications which had fallen and international applications which had increased.

The Vice-Chancellor reported that 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 had been a fall in the number of applications for the Extended Diploma compared with the previous year; applications for the Access course are usually received later in the cycle; high FE retention rates continued to be maintained.

In response to Governors questions concerning FE retention, it was noted that the University had not experienced any significant fall in retention following the 2019 Christmas break. Governors commended the University for its overall performance in relation to FE retention which, using Ofsted performance measures, had been 97.7% compared to 96.7% for the same week in 2019, noting in particular the Extended Diploma rate for second year students (measured over 2 years) which had improved significantly from 89.8% to 96%.

(ii) **Research**

Governors noted the positive amount of research that had been undertaken. Governors commended the high level of research output which was being produced in the period relevant to the Research Excellence Framework (REF) in 2021.

(iii) **Donation**

The Vice-Chancellor informed the Board of Governors that a donation of an artwork had been received from Patrick Hughes, a prominent British surrealist artist.

(iv) **Successes**

Governors considered the section in the report on student successes, noting the high number of reports of success included.

The Board of Governors received the CEO's report for January 2020.

6.0 **Key performance indicator (KPI) report.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented to the Board of Governors the University's strategic KPI report, which had been updated since the last Board of Governors

In response to Governors questions concerning the use of milestones in relation to the
achievement of strategic plan KPIs by 2022/23, it was noted that, while the University did not use formal milestones, achievement of KPIs were regularly monitored in-year as appropriate and the review of all KPIs presented to the Board of Governors by the Vice-Chancellor annually in October provided an opportunity to discuss whether targets needed to be amended, should this be required.

The Board of Governors considered and received the KPI report for January 2020.

Part III - Academic Board report: for information

7.0 Academic Board report. The Vice-Chancellor presented to the Board of Governors the draft Academic Board minutes of 18th November 2019 confirmed by the Chair, highlighting some key areas.

In response to Governors questions concerning scrutiny of a sector wide increase in 1st class degrees and the reference at minute 13 of the Academic Board minutes (Review of the Summary of HE Final Examination and Progression Board Minutes 2018-19) to an increase in 1st classifications and a decrease in 2:2 classifications, the Vice-Chancellor reported that there had been no indication that the University's classifications were not accurate but that the HEQAS Committee would continue to review this carefully.

The Board of Governors received, for information, the minutes of the Academic Board meeting held on 18th November 2019.

PART IV - Financial matters: items for consideration & information

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 December 2019, including a review of financial KPIs, which were considered.

Governors noted that:
- There had been savings in non-pay expenditure although this was mainly due to a timing difference, with the forecasts remaining unchanged;
- There had been a significant investment in resources;
- Cash reserves remained high and the level of bad and doubtful debts remained low.

It was noted in response to Governor’s questions that:
- The artwork donation would be classed as a heritage asset;
- All of the costs for the new build have gone through the balance sheet and, as snagging issues were still ongoing, an accrual had been made for retention and a final payment would not be made until the remedial work had been completed.

The Board of Governors considered and received the management accounts for 31st December 2019.

PART V - Financial matters: items for approval

9.0 Proposed capital expenditure & re-forecast. The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented to the Board of Governors a re-forecast of the budget based on the estimated cost of a proposed capital expenditure project.

[Confidential minute].
The Board of Governors considered the budget re-forecast presented by the PVC Assurance & Director of Finance and approved in principle the proposed capital expenditure project [confidential minute]: proposed Mr Whitehead, seconded Mr Bagley.

**Action:** PVC Assurance & Director of Finance

10.0 **FE tuition fees 2020-21.** The Pro-Vice-Chancellor 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 2020/21 had yet to be published, the Pro-Vice-Chancellor Assurance & Director of Finance was proposing that the 2020/21 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.

As the final fee matrix for 2020/21 was not yet available, the Board of Governors agreed that the basis on which the 2020/21 FE tuition fees for students aged 19+ would be calculated as proposed by the Pro-Vice-Chancellor 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 Ms Handa, seconded Mr Whitehead.

**Action:** Pro-Vice-Chancellor Assurance & Director of Finance

11.0 **Student travel tender.** The Pro-Vice-Chancellor Assurance & Director of Finance presented the report for the tender of provision of student travel services.

Governors approved the appointment of Studylink as the supplier for student travel services for the contract period February 2020 until 31st January 2022, with the option to extend until 31st January 2024: proposed Ms Handa, seconded Dr Reid.

**PART VI - Annual reports: for consideration & information**

12.0 **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 2018/19 academic year and summarised policy changes, training activity, recruitment activity and absence levels and KPIs relating to these areas.

In response to Governors questions it was noted that Black, Asian and Minority Ethnic (BAME) recruitment was monitored and considered at the university’s Equality, Diversity & Inclusion Committee. Governors noted that the annual EDI report would be presented to the March 2020 Board of Governors’ meeting.

Governors requested that 3 year comparators (e.g. for sickness absence) should be included, where appropriate, in future reports to enable any trend to be discerned.

**Action:** Vice-Chancellor/Head of HR

The Board of Governors received and considered the University’s 2018/19 HR report.

13.0 **Freedom of Information annual report.** The Vice-Chancellor presented a report on Freedom of Information (FOI) requests received during the period August 2018 to July
2019. Governors noted that: 62 requests had been received during this period, continuing the upward trend in relation to requests which has been observed since the award of University title in August 2017; the report covered a transition period during which responsibility for responding to FOI requests had been transferred from the Clerk to the Board of Governors to the Compliance Officer in October 2018.

In response to Governors questions it was noted that: the Compliance Officer reported to the Vice-Chancellor who, unless otherwise involved (e.g. as the subject of a request or in the formulation of a response), would deal with any requests for an internal review of the Compliance Officer's decisions in relation to the non-disclosure of information; to maintain the Vice-Chancellor's independence, the Compliance Officer liaised with the Pro-Vice-Chancellors or the Clerk to the Board of Governors, as appropriate, when formulating responses to FOI requests.

The Board of Governors received the annual Freedom of Information report for 2018/19.

### PART VII - items for ratification or adoption

#### 14.0 Annual FE self-assessment report

The Pro-Vice-Chancellor Student Experience & Resources, Professor Russell, presented the University Further Education Self-Assessment Report (SAR) 2018/19 which had been validated at the Further Education Committee on the 8th November 2019 and approved at the Academic Board on the 18th November 2019. 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 new Education Inspection Framework (EIF) had been used as a basis for self-assessing the University's FE provision and placed increased emphasis on curriculum and teaching delivery;
- The 4 key judgment areas used in the EIF were Quality of Education, Personal Development, Behaviour and Attitudes, Leadership and Management, together with a grade for Overall Effectiveness of Provision;
- A self-assessed judgment of Grade 2 (Good) for Overall Effectiveness had been agreed by both Committees;
- With reference to the Quality of Education judgement, the Academic Board had noted that curriculum planning to ensure all students achieved their learning aim and were ready for the next stage in their education/training was Very Good;
- There were higher referral rates (failing and then resubmitting in order to pass) in some early stages of the course for both Foundation and Extended Diploma (ED) which had prevented the committees from awarding a grade of Outstanding;
- With reference to Personal Development, the committees had recognised the continued high levels of support and guidance being provided, the embedding of employability skills (including maths) and Fundamental British Values within the curriculum;
- With reference to Behaviour and Attitudes the committees had noted that student behavior, conduct and respect for others remained Outstanding but consideration of attendance rates had been a significant factor in determining the grade of Good, with below target attendance rates across the majority of courses;
- With reference to Leadership and Management, engagement with students, staff and key stakeholders had been judged to be Very Good though some low response rates to student questionnaires and unit evaluations had prevented the committees from awarding a grade of Outstanding;
• Regular updates with staff, close engagement with management and the Board of Governors, including a Governor with specialist knowledge and understanding of the FE sector, had been noted;
• The provision of high quality and inclusive education and the safeguarding of students had been considered to be Very Good;
• With reference to Overall Effectiveness of Provision, the overall grade reflected the grades of the contributing key judgment areas;
• The judgments 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.

It was noted in response to Governors’ questions that Ofsted used the grades Outstanding, Good and Inadequate, with the University using Very Good in the SAR to signify where provision was just below Outstanding.

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

Members noted that Ofsted would inspect institutions according to a new schedule which would ensure that all organisations which had been judged to be Good or Outstanding would be inspected between 4 to 5 years in future, with the University having last been inspected about 5 years ago. It was noted in response to Governors’ questions that, before inspection, Ofsted would review an institution's performance data and its SAR.

It was noted that, as an HE institution, the FE SAR had, in addition to being validated at the University's Further Education Committee, been approved by the Academic Board, which included independent external members, before being presented to the Board of Governors for ratification.

Governors congratulated staff on a well written and succinct report, which followed the new Ofsted framework and made apparent the importance of intent, implication and impact under the EIF. It was agreed that the Pro-Vice-Chancellor Student Experience & Resources would in future consider including a section which highlighted safeguarding at the beginning of the report, as it had an overall impact on effectiveness.

The Board of Governors ratified the University's approved FE Self-Assessment Report 2018-19: proposed Mr Whitehead, seconded Ms Handa.

15.0 Revised Instrument & Articles of Government approved by the Privy Council on 6 Jan. 2020. The Clerk reported that: the Board of Governors had agreed at its Nov. 2019 meeting to submit revised Instrument & Articles of Government to the Privy Council for approval, removing the requirement for Privy Council approval for future revisions to the Instrument & Articles of Government; the OfS had been notified, under its reportable events procedure, of the submission of the revised Instrument & Articles of Government to the Privy Council; the Privy Council had consented on 6 Jan. 2020 to the Board of Governors’ request that the Instrument & Articles of Government should be revised.

The Board of Governors considered the consent letter dated 6 Jan. 2020 from the Privy Council and the revised Instrument & Articles of Government.

The Board of Governors resolved to adopt the revised Instrument and Articles of Government, effective from 6th Jan. 2020: proposed Mr Finnigan, seconded Professor
Governors noted that the Clerk would present to the Board of Governors' meeting in March 2020 a report on further possible changes to the Instrument & Articles of Government.

**PART VIII - Governance reports: for information**

16.0 **OfS reportable events: year to date report.** The Clerk reported that: the Board of Governors had considered at its Nov. 2019 meeting proposed revisions to the Instrument & Articles of Government prepared by Eversheds Sutherland for submission to the Privy Council for their approval; Eversheds Sutherland advice was that the revisions should be treated as a reportable event in relation to OfS condition E2 (The provider must have in place adequate and effective management and governance arrangements) of the OfS Conditions of Registration.

The Clerk reported that OfS Regulatory Advice 16 (Reportable events) stated at paragraphs 21 & 22, with reference to condition of registration F3 (provision of information to the OfS'), that “21. Condition F3 requires a provider to notify the OfS of a reportable event ‘as soon as reasonably possible once such an event is contemplated or the provider becomes aware of it, or that it is likely to occur. 22. In all cases, as set out in the enduring requirement in both the F3 Notice in Annex E of a provider’s registration decision letter and the updated F3 Notice issued to registered providers on 15 October 2019, ‘reportable events must be reported to the OfS within five days of the date that the event is identified or, if that is not possible due to exceptional circumstances beyond the control of the provider, as soon as reasonably practicable thereafter and without undue delay’”.

The Board of Governors noted that: a reportable event form dated 25th Nov. 2019 and prepared by the Clerk had been submitted to the OfS, noting that copies of the revised Instrument & Articles of Government would be submitted to the OfS when approved by the Privy Council; a reportable event form dated 9th Jan. 2019 and prepared by the Clerk was submitted to the OfS with the following attachments: Privy Council consent letter of 6 Jan. 2020 and revised Instrument & Articles of Government.

The Board of Governors noted for information the above report from the Clerk, together with 2 reportable events forms submitted to the OfS, together with copies of OfS acknowledgements.

**PART IX - Governance reports: for information**

17.0 **Governors’ periodic review of effectiveness: self-assessment analysis summary.** The Clerk to the Board of Governors presented a report on the 2019 Governor Effectiveness survey results, members noted that an action plan table would be considered at the next scheduled Search & Nominations Committee meeting and, following this, a report would be presented to a subsequent Board of Governors meeting.

**Action: Clerk**

18.0 **Use of the seal.** It was noted that the seal had not been used since the last meeting of the Board of Governors.

19.0 **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 X - Committee reports & minutes: for receipt

20.0 Board of Governors: committee minutes & reports: Audit Committee. The Board of Governors received, for information, the unconfirmed Audit Committee minutes of the meeting held on 13th Nov. 2019, noting that reports and recommendation arising from the meeting had been presented to the Board of Governors’ Nov. 2019 meeting.

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

21.0 Documents/links from outside bodies e.g. from the DfE, OfS, CUC. The Board of Governors received the following documents/links from outside bodies:
- Notice from the OfS Director of Competition and Registration regarding condition F2: Student Transfer arrangements and a copy of the University’s Students transferring to or from University document;
- Link to the CUC consultation on revisions to its Higher Education Code of Governance.

PART XII - Final matters

22.0 Any other business. The importance of the timely dispatch of papers was discussed and agreed, noting some issues experienced by members who received papers by post.

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

24.0 Dates of next meetings. It was noted that the Board of Governors was next due to meet on:
- Wed. 26th Feb. 2020 at 1.30pm (brief Extraordinary Board of Governors’ meeting followed by scheduled Governor finance training)
- Wed. 18th Mar. 2020 at 1.30pm (scheduled Board of Governors’ meeting).

Mr Clements and Mr Bagley gave apologies for the meeting on 26th Feb. 2020.

PART XIII - Reserved Matters

25.0 Exclusions. The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance), Ms O Motema (elected Student Governor), Ms A Palmer-Jones (Students’ Union President/Student Governor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), and Professor R Whittaker (Pro-Vice-Chancellor Academic). The Vice-Chancellor was invited to remain in attendance.

26.0 Reserved Matters minutes of the previous meeting. The Board of Governors noted that the Reserved Matters minutes of the meeting held on 25th November 2019 were in the public domain and had been approved at agenda item 3 above.

27.0 Remuneration Committee minutes of 13th Nov. 2019. The Board of Governors received, for information, the confidential minutes of the Remuneration Committee meeting held on the 13th November 2019.

28.0 Annual review of confidential Board of Governors’ minutes. The Board of Governors received the Clerk's report and recommendations on the annual review of confidential Board of Governors' minutes [confidential minute]. The Board of Governors received the Clerk's annual report on the release of confidential Board of Governors’ minutes.
29.0  **Any other business.** There were no any other business relating to the Reserved Matters agenda.

30.0  **Risk Management.** There were no new items of risk identified under the Reserved Matters agenda.
Confirm

BOARD OF GOVERNORS OF THE HE CORPORATION
MINUTES OF THE EXTRAORDINARY MEETING HELD ON
WEDNESDAY 26TH FEBRUARY 2020

Present: Professor P Cullen (Co-opted Governor, education), Mr J Finnigan (Independent Governor, Deputy Chair of the Board of Governors), Ms O Motema (elected Student Governor), Ms A Palmer-Jones (Students’ Union President/Student Governor), Professor C Pickles (Independent Governor), Dr D Reid (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), Mr C Clements (Independent Governor, Chair of the Board of Governors), Ms A Handa (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: Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Motema (student, Leeds Arts University); Ms Palmer-Jones (Leeds Arts University Students’ Union President); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online); 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 GuildHE and HESA Board member).

PART I - Procedural matters: items for approval

3.0 Minutes of the previous meeting. Members noted that, as the current meeting was an Extraordinary meeting, the minutes of the previous meeting were not due to be considered.

Part II - OfS requirements: for review

4.0 Access Agreement Monitoring Return 2018/19. The Pro-Vice-Chancellor Student Experience & Resources, Professor Russell, presented the Access Agreement Monitoring Return 2018/19, reporting that: while the University was only required
to return the financial elements to the Office for Students (OfS), it was also asked to certify that the Board of Governors had received information against the targets in the agreement; in accordance with the requirements of the OfS, the return and report were therefore being presented to enable the Board of Governors to monitor the University’s compliance with the provisions of the access agreements that were in force in 2018/19.

The Board of Governors considered the following documents: the Access Agreement monitoring return 2018/19; a report monitoring progress against targets and milestones in the 2018/19 Access Agreement.

The Board of Governors reviewed the financial return that showed the spending that was access agreement countable. Governors noted that this was lower than expected due to the recruitment of fewer students with low household incomes than anticipated, therefore fewer bursaries had been awarded and, to balance this, the University's hardship funds had been increased.

The Pro-Vice-Chancellor Student Experience & Resources reported that the OfS recognised that much of the spending that supported under-represented groups was embedded within core functions of the University and linked to outreach, student welfare, learning support, pastoral support and progression.

Governors noted that, if there was a smaller percentage of students recruited from under-represented groups then a smaller proportion of these fixed costs was countable in the plan and the remainder of these costs were met by other income. It was noted that: much of this expenditure was met through the Student Premium, which was awarded by the OfS according to a formula that considered students’ prior attainment and included an identified amount for students with a disability; historically the amounts for disability had risen slightly whilst the main premium has fallen substantially, which was the key reason why the total spend in the respective categories for Access, Success and Progression were all higher than the sum of access agreement countable funding and student premium funding combined.

Governors reviewed the table showing the monitoring of progress against targets in the 2018/19 Access Agreement, noting that:

- Targets had been met or exceeded in 9 of the areas shown in the table but had not been met in 3;
- As noted above, the greatest shortfall against target had been in the percentage of students recruited from low income (under £25k) households;
- The above target had been challenging, having first been formulated in a period when the University was an FE college, with far fewer HE students and a very different profile;
- In moving to the new Access and Participation Plan, the agreed Plan no longer featured the above measure as a target, with the University instead focusing on POLAR (participation of local areas) and IMD (Index of Multiple Deprivation) measures;
- The target for maintaining a margin of difference in achieving a 2:1 degree or above between those with a disability and those without that was within plus or minus 3% had not been achieved (i.e. the outcome was 0.4% wider than the target gap) although it was also noted that the gap in achievement between those with a disability and those without had actually moved in favour of those with a disability;
- The outcome for the target for the number of learners receiving mentoring
or work shadowing was slightly below target but had been particularly challenging given that it had required an external recipient to have achieved 3 forms of contact with the University;

- The above target was no longer included in the University’s Access and Participation Plan.

The Pro-Vice-Chancellor Student Experience & Resources reported that, of the targets reviewed in the table, only target 3 (the percentage of new entrants from widening participation postcodes based on the Higher Education Statistics Agency (HESA) table 1b (POLAR4)) and target 4 (maintaining a margin of difference in achieving a 2:1 or above between those with a disability and those without that is within plus or minus 3%) had been retained in the University’s new Access and Participation Plan, which also contained new targets around participation rates according to IMD, ethnicity and retention, and achievement targets according to POLAR quintiles.

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

- Once the Vice-Chancellor had signed off the return for submission to the OfS, the return would show that all validation checks had been passed;
- It was not expected that the OfS would respond to the report unless it considered that there was some cause for concern;
- Failure to achieve targets did not result in funding clawback.

The Board of Governors received the University’s report on the Access Agreement Monitoring Return 2018/19, noted the expenditure against the plan and the achievement against the planned outputs and outcomes.

**PART III - Financial matters: items for consideration & approval**

5.0 Financial matters management accounts, commentary & statement. The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented the management accounts for the period ending 31st January 2020.

Governors noted that, under the terms of the University’s Revolving Credit Facility (RCF) agreement, half-yearly management accounts had to be submitted to the bank.

Governors considered the management accounts for the 6 months up to the 31st January 2020, the commentary and the proposed statement to the bank from the Board of Governors.

Governors considered in detail the management accounts for 2019/20 to date compared to budget.

Governors noted that:

- Growth in Home/EU and International students had resulted in an increase in income compared to the prior year;
- Non-pay costs were higher predominantly due to maintenance costs (including the Mac suite refurbishment and other summer works) and also depreciation costs (with large capital investment in equipment as well as the new build, with the first full year’s depreciation coming through in 2019/20).

In response to members’ questions, the Pro-Vice-Chancellor Assurance & Director of Finance confirmed that:
• She would review the actual key performance indicators for 2018/19 to establish whether the percentage difference shown, when compared to 2017/18 and budget, was due to timing differences;
• Savings in pays cost were due to timings in recruitment, which was not unusual.

The Board of Governors received and reviewed the management accounts for 31st January 2020.

The Board of Governors approved the statement to be signed by the Deputy Chair of the Board of Governors and the Vice-Chancellor for submission to the bank with the management accounts under the terms of the University’s revolving credit facility agreement (RCF), together with the signed statement from the Pro-Vice-Chancellor Assurance & Director of Finance: proposed Mr Whitehead, seconded Dr Reid.

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

PART IV - Governance reports: for information

6.0 Use of the seal. The Clerk presented a report on the use of the University seal since the Board of Governor’s meeting held on 22nd January 2020, noting the sealing and signing of a form of proxy executed under seal in relation to a General Meeting of the North Eastern Universities Purchasing Consortium.

Governors noted that the Chair of the Board of Governors, Mr Clements had, on 12th February 2020, authorised the Deputy Chair of the Corporation to sign under seal at the current Board of Governors’ meeting, together with the Vice-Chancellor, a deed of variation of a nomination agreement dated 28 September 2017 relating to 350 rooms at Liberty Park, Leeds.

The Chair of the Board of Governors, Mr Clements, had also shortly before the current Board of Governors’ meeting, authorised the Deputy Chair of the Corporation to sign under seal, together with the Vice-Chancellor, a nomination agreement with IQ relating to student accommodation at Cross Chancellor Street, Leeds.

The Board of Governors received a report on the use of the seal since the Board of Governors’ meeting held on 22nd January 2020 to date and approved the use of the seal on 26th February 2020 as noted above: proposed Dr Reid, seconded Ms Edge.

Action: Clerk/Deputy Chair/Vice-Chancellor

7.0 Report on Chair of Board of Governors’ action. It was noted that no action of the type specified had taken place since the meeting of the Board of Governors’ held on 22nd January 2020.

PART V - Final matters

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

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

10.0 Dates of next meetings. It was noted that the Board of Governors was next due to meet on Wed. 18 Mar. 2020 at 1.30pm.
1.0 Apologies for absence. No apologies for absence were received.

2.0 Declaration of interests & code of conduct report. The following standing declarations of interest were received: Professor Cullen (trustee and Board Member, Open College of the Arts); Ms Motema (student, Leeds Arts University); Ms Palmer-Jones (Leeds Arts University Students' Union President); Professor Pickles (employee, Laureate Online Education for the University of Liverpool Online); 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 GuildHE and HESA Board member). It was noted that Mr Bagley, who was a Council member of the University of Sheffield, and Dr Taylor, Academic Board nominee, whose appointment to the Board to would be considered at agenda item 3, would not join the meeting until after this item.

PART I - Items for approval

3.0 Search & Nominations Committee recommendations. The Chair of the Search & Nominations Committee, Ms Handa, presented the Search & Nominations Committee recommendations on Governor appointments.

Governors noted that there were currently 2 vacancies for Independent Governors and 1
vacancy for a Governor nominated by the Academic Board and that the terms of office of
the following Governors have ended or would end shortly:

- The final term of office as an Independent Governor of Mr Clements, who was a
  forensic auditor, would end on 16th July 2020;
- The first 4-year term of office as an Independent Governor of Mr Bagley, who was a
  qualified accountant, had ended on 12th Apr. 2020;
- Ms Palmer-Jones’ term of office as Students’ Union President/Student Governor
  would end on 31st August 2020;
- Ms Motema’s term of office as Elected Student Governor would end on 31st August
  2020.

The Search & Nominations Committee had noted that:

- The Academic Board meeting held on 11th Mar. 2020 had nominated Dr Sarah Taylor
to the vacancy for an Academic Board nominee;
- Ms Belcham, Level 6 Graphic Design, had been elected as Students’ Union President
  for 2020-21;
- Mr Hart, Level 5 Photography, had been elected as Student Governor for 2020-21.

It was noted that, under Instrument 5(2) of the Instrument of Government, the full Board
of Governors was the appointing authority in relation to Governor appointments, with the
exception of the appointment of Independent Governors where the appointing authority
could be the full Board of Governors or the Independent Governors according to the timing
of the appointment.

The Independent Governors of the Board of Governors approved, on the recommendation
of the Search & Nominations Committee, the re-appointment of Mr Bagley for a further 4-
year term of office from 3rd June 2020: proposed Mr Finnigan, seconded Professor Cullen.

The full Board of Governors approved, on the recommendation of the Search &
Nominations Committee, the appointment of Dr Sarah Taylor to the Board of Governors as
the Academic Board’s nominee for a period of 4 years from 3rd June 2020: proposed Mr
Whitehead, seconded Mr Finnigan.

The full Board of Governors approved, on the recommendation of the Search &
Nominations Committee, the appointment (subject to meeting the Governor eligibility
criteria) of Ms Poppy Belcham, elected Students’ Union President/Student Governor ex
officio from 1st September 2020 to 31st August 2021, or until Ms Belcham has left the
University, whichever was the sooner: proposed Mr Whitehead, seconded Mr Finnigan.

The full Board of Governors approved, on the recommendation of the Search &
Nominations Committee, the appointment (subject to meeting the Governor eligibility
criteria) of Mr Joshua Hart, elected Student Governor from 1st September 2020 to 31st
August 2021, or until Mr Hart has left the University, whichever was the sooner: proposed
Mr Whitehead, seconded Dr Reid.

Mr Bagley and Dr Taylor joined the meeting and were welcomed by the Chair, Mr
Clements.

4.0 Minutes of the Jan. 2020 meeting. The minutes of the meeting of the Board of
Governors held on 22nd January 2020, including the confidential minutes, were approved
with an agreed amendment i.e. the reference at minute 7 to the Academic Board minutes
should read ‘the draft Academic Board minutes of 18th November 2019 confirmed by the
Chair’: proposed Dr Reid, seconded Mr Whitehead.

Action: Clerk

5.0 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 Home FE tuition fees for 2020/21, it was noted that the Pro-Vice-Chancellor Assurance & Director of Finance had confirmed in the action plan that the matrix issued by the Education & Skills Funding Agency (ESFA) had not changed and there had therefore been no changes to Home FE fees for 2020-21.

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

6.0 Minutes of the Feb. 2020 meeting. The minutes of the extraordinary meeting of the Board of Governors held on 26th February 2020 were approved: proposed Mr Whitehead, seconded Dr Reid.

7.0 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 - strategic items for consideration &/or information

8.0 Chief Executive's report. The Vice-Chancellor, Professor Wonnacott, presented the CEO's report for May 2020. Governors noted, in particular, the following areas covered by the report.

(i) Coronavirus
Governors noted that:
- All teaching and support had moved online on 23rd March 2020 in response to the Covid-19 pandemic;
- Students had engaged well with remote learning and both teaching and support staff had assured the quality of the education students received whilst also preserving the individuality of courses;
- Support had been available for students from all of the areas who would normally work with them, including Student Welfare, Workshops, Careers and the Students' Union, and staff had been working very hard to maintain processes and offer activities which could be undertaken outside the University buildings;
- Options for September 2020 were currently being considered and worked through with staff;
- Space planning was being undertaken with reference to varying social distances of 1m, 1.5m or 2m to ensure flexibility should social distancing be reduced from 2m by September 2020.

(ii) OFSTED
The Vice-Chancellor presented the final inspection report that had been received following the short inspection undertaken by Ofsted on the 26th and 27th February 2020, noting that the report reflected the feedback given by inspectors at the time and detailed many strengths, including appropriate oversight and challenge provided by Governors. Governors congratulated staff on a positive report.

(iii) Academic Enrolment, Retention and Success Rates
The Vice-Chancellor reported that the conversion of applications to enrolments was being monitored closely by the University’s senior management team (SMT), noting that the Pro-Vice-Chancellor Assurance & Director of Finance would report further later on the agenda when financial forecasts were considered.

Further education (FE) retention measures were noted to be somewhat artificial, as
students were working remotely and their grades would be estimated from work already submitted before 20th March 2020, but the engagement of both students and staff with online learning had been positive and staff were currently working on estimating final grades based on guidance from Ofqual.

(iv) Research
Governors noted that: preparations for a submission for Research Excellence Framework (REF) 2021 were underway; the REF submission system had been populated with staff records and some outputs; due to the Covid-19 pandemic UKRI (UK Research & Innovation) had announced a delay to the REF submission, which had originally been scheduled for November 2020.

(v) Successes
Governors noted that the University had been nominated in a number of categories for the WhatUni awards and considered the section in the report on student successes, noting the high number of instances of success included in the report, including those achieved during lockdown.

In response to Governors questions concerning how the University was helping students during a difficult year nationally for employment, it was noted that: the University’s Careers, Enterprise and Employability (CEE) team were offering online career activities, including circulating information to graduating students so they were aware of their continuing access to the University’s Careers Portal for 4 years following graduation and the University’s membership of the Association of Independent Professionals and the Self-Employed (IPSE); the Vice-Chancellor had spoken with the Creative Industries Federation which was now allowing students to join, with it being hoped that alumni would also be able to join; graduates were sent information on how to join the University’s alumni association.

The interest of the Competition and Markets Authority (CMA) on information being provided to applicants for 2020/21 by higher education providers was noted. The Vice-Chancellor reported that the University’s senior management team and relevant members of staff were working on finalising the academic plan for 2020/21 in preparation for providing more information to students, noting, however, in this context, the risk of providing course information too early given that the external environment could change. The Students’ Union President/Student Governor, Ms Palmer-Jones reported that students had found initial communications from the University very helpful and emphasised the importance of continuing and timely communication with reference to 2020/21.

(Mr Ramshaw joined the meeting).

It was noted in response to Governors’ questions concerning staff working from home, that: information from HR had been provided to ensure that staff felt supported and managers had kept in touch with their teams; the Vice-Chancellor had chaired a Staff Consultative Meeting in May 2020 at which positive comments had been received on communication with staff and the support given by managers; there had been an emphasis on ensuring appropriate mental health support was available for staff and students.

The Pro-Vice-Chancellor Academic reported on the implications for the curriculum of moving to an online platform, including the challenges for staff working with students in different time zones. It was noted that a strategy had been put in place to ensure all students were able to progress or complete whilst meeting the quality framework and to ensure that academic standards were not compromised, student engagement had been high throughout and the University had continued with activities involving visiting professionals and enhancement activities.
In response to Governors’ questions as to whether the University had received any requests for tuition fee refunds, it was noted that a very small number of e-mails concerning possible refunds had been received, with the University’s response communicated to all students i.e. that refunds were not considered justified given that students had continued to receive teaching and support.

Governors noted the positive reports on the high level of student engagement with remote learning, noting also that the University would consider the future use of aspects of online teaching and learning where students had indicated that they had found the format particularly valuable.

The Board of Governors received the CEO’s report for May 2020.

**9.0 Strategic key performance indicators (KPIs).** The Pro-Vice-Chancellor 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 2.8% ;
- The provisional results from the Graduate Outcomes survey 2017/18 had been released;
- The KPIs for the percentages of HE academic teaching staff with Higher Education Academy (HEA) Fellowships and for FE staff with teaching qualifications had been updated as a result of staff turnover, with both still above target.

Governors congratulated the University on its non-continuation rate for young full time first degree entrants, noting that it was significantly below the appropriate benchmarks, which was positive, and had resulted in a ‘+’ benchmark indicator, with the University being one of only 8 institutions to receive such a mark.

With reference to the impact of the Covid19 pandemic on the University’s strategic KPIs, the Pro-Vice-Chancellor Assurance & Director of Finance reported that: the National Student Survey (NSS) survey had closed after the national lockdown which meant the results might be affected; the FE Learner Satisfaction Survey (LSS) would not be undertaken in 2020; the University’s senior management team had taken the decision that formal staff appraisal and performance reviews (APR) for 2019/20 should not be undertaken to enable staff to focus on what was essential for the student experience, noting that this decision would, however, affect the KPI for completion of APRs. It was noted in response to Governors’ questions concerning the decision to suspend the formal APR process for 2019/20 that managers would nevertheless continue to hold discussions with staff about performance.

The Board of Governors received a progress report on the University’s strategic key performance indicators, noting and endorsing the decision of the senior management team that formal staff appraisal and performance reviews (APR) should not be undertaken for 2019/20.

**PART III - Academic items for information &/or approval**

**10.0 Academic Board report.** The Vice-Chancellor, Professor Wonnacott, presented the Academic Board minutes of the meeting held on the 11th March 2020, highlighting the following to the Board of Governors:

- Dr Sarah Taylor had been nominated by the Academic Board to the Board of Governors;
- Minor changes in membership of the Academic Board had been recommended to the Board of Governors for approval;
The Academic Board had approved two new Masters, MA Creature Design and MA Graphic Novel, to commence in September 2020, with all conditions having been met as outlined in the minutes;

Periodic Reviews had taken place for BA (Hons) Creative Advertising, BA(Hons) Fashion Photography and BA (Hons) Photography, with all conditions having been met and the courses re-approved;

The Academic Board had approved the regulations for a pre-sessional English course, although this would not be taking place during summer 2020 due to the uncertain situation with travel;

The Academic Board had considered the draft Degree Outcomes Statement and were recommending this to the Board of Governors for approval.

The Board of Governors noted the minutes of the Academic Board on the 11th March 2020 and approved the changes to the membership of the Academic Board as outlined in the report: proposed Ms Handa, seconded Mr Whitehead.

11.0 Degree outcomes statement. Governors noted that following an agreement by the UK Standing Committee for Quality Assessment (UKSCQA), sector-representative bodies had agreed that providers should publish on their websites an evaluative degree outcomes statement to provide clearer assurance to students, stakeholders and the wider public on how providers ensured the value of the qualifications they awarded was protected for Level 6 students.

The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey presented the University's degree outcome statement, highlighting the following:

- The analysis of the University's degree classification profile showed that, in line with the sector, the proportion of first class honours degrees had been increasing albeit at a slower rate than for the sector as a whole;
- The statement noted that the University had gained Taught Degree Awarding Powers from September 2016 and that, over the 5-year period covered by the statement, there had been a significant change in the undergraduate provision offered and an increase in the graduating cohort;
- The statement explained the process for oversight and assurance of academic standards and detailed the degree algorithm, which had been in place since 2006, recording that borderline discretion had been removed from 2015-16 and explaining how the degree algorithm was communicated to students during their studies;
- The statement also recorded that a further key change had been the introduction of a new assessment model in 2017-18 for new courses, with existing courses transitioning onto the new model as they went through periodic review;
- As a result of these changes, a full 5-year overview of the classification profile using the University's own regulations would not be available until 2021-22 and a full 5-year overview of the classification profile based on the new assessment model alone would not be available until 2025-26.

It was noted in response to Governors' questions that: while trends behind the increasing proportion of first class honours degrees were difficult to assess at present, due to the variables noted above, consideration of degree standards continued to be included in the University’s Annual Quality Report Action Plan which was reviewed by the Board of Governors at its November meeting annually; although the proportion of first class honours degrees had increased nationally in recent decades, there had also been a corresponding national focus on improvements in teaching and learning driven by the National Student Survey (NSS) and the Teaching Excellence Framework (TEF).

It was agreed that the Pro-Vice-Chancellor Assurance & Director of Finance would amend section 4 of the degree outcomes statement to clarify that it referred to the period to 2018-19.
The Board of Governors received and approved the degree outcomes statement, on the recommendation from the Academic Board, with the amendment noted above, for publication on the University website: proposed Dr Reid, seconded Professor Pickles.

12.0 Management accounts. The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented the management accounts for the period ending 30th April 2020, including a review of financial KPIs, which were considered.

Governors noted that:
- The operating surplus to date was higher than budget;
- The year-end position was expected to be a healthy surplus, although there remained uncertainty due to the impact of the Covid-19 pandemic;
- Pay and non-pay expenditure were below budget;
- The final 50% of the annual tuition fee payment had been received from the Student Loans Company (SLC) in May 2020;
- The University's cash position was healthy;
- The University had drawn down £8m from its revolving credit facility and quarterly repayments start in 2020/21;
- While the impact of Covid-19 on September 2020 recruitment and enrolment was not clear, the University's cash balances enabled it to deal with the increased level of risk in the current environment.

The Board of Governors considered and received the management accounts for 30th April 2020.

13.0 Tuition fees 2020-21. The Pro-Vice-Chancellor Assurance & Director of Finance presented to the Board of Governors the tuition fees schedule for 2020/21 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 2020/21, excluding FE fees.

14.0 Forecasts. The Board of Governors considered the forecasts 2020-21 presentation from the Pro-Vice-Chancellor Assurance & Director of Finance.

The Pro-Vice-Chancellor Assurance & Director of Finance explained the budgeting process for 2020/21, reporting that:
- Due to the uncertainty surrounding recruitment and enrolment for 2020/21, a number of different financial forecasts had been prepared;
- The presentation set out the current position with regard to forecasts and provided information on the proposed financial planning process for the forthcoming academic year, together with an outline of the key assumptions used in preparing the different scenarios;
- With reference to key dates and timescales in the budgeting process, it was proposed that the detailed 2020/21 budget should be considered for approval by Board of Governors at its November 2020 meeting, when actual enrolment figures should be clearer, with details of the phased budget setting process for the year set out in the presentation.
- Approved financial plans were due to be submitted to the Office for Students (OfS) by 31st December 2020.
Governors noted in discussion that:

- The University was in a strong financial position and had a high level of liquidity;
- There were no significant capital projects in progress;
- The Department for Education had set student number controls for higher education providers;
- The SLC had altered its tuition fee payments profile so that providers would receive 50% of the annual payment in October 2020 and 50% in May 2021;

The Pro-Vice-Chancellor Assurance & Director of Finance reported that with the introduction of a socially distanced and enhanced blended learning environment, the University's payroll costs would increase, which meant that the strategic key performance indicator of a maximum of 56% payroll costs as a percentage of income might not be met. The Vice-Chancellor emphasised, in this context, the importance of ensuring that the University continued to provide a high quality student experience in 2020/2201, maintaining quality through its investment in staff.

Governors considered the prudent, key assumptions on which the forecasts had been based, noting in particular: inflation had been assumed at 2%; the University's Access and Participation Plan (APP) overall financial commitment would be met mainly through hardship funds given the expected restrictions on social distancing.

In response to Governors questions, it was noted that:

- [Confidential minute];
- With reference to capital expenditure, the planned further development of the estates, which had been approved by the Board of Governors in Jan. 2020, had been paused due to the Covid-19 pandemic but could be re-started in the future when the current situation had improved sufficiently to permit this.

The Board of Governors considered and received the forecasts presentation.

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**PART V - finance items for approval**

15.0 **Tenders.** The Pro-Vice-Chancellor Assurance & Director of Finance presented a report for the contract of the purchase of IT hardware, noting that equipment was to be purchased under the agreement on an ad-hoc basis. Governors noted that: the contract had been procured using the NEUPC National Desktops and Notebooks (NDNA) framework; upon completion of the tender evaluation process XMA Limited had the highest score and were the preferred supplier for IT hardware.

Governors approved the appointment of XMA Limited to be the University’s supplier of IT hardware for the contract period June 2020 to May 2021, with the option to extend annually until May 2023: proposed Dr Reid, seconded Mr Whitehead.

16.0 **Tenders.** The Pro-Vice-Chancellor & Director of Finance presented the report for the contract of the purchase of Apple IT equipment, noting that equipment was to be purchased under the agreement on an ad-hoc basis. Governors noted that: the contract had been procured using the NEUPC Framework Agreement for the Supply of Computer Equipment Using an Apple Operating System; upon evaluation process XMA Limited had the highest score and were the preferred supplier of Apple IT equipment.

Governors approved the appointment of XMA Limited to be the University’s supplier of Apple IT equipment for the contract period June 2020 to May 2021, with the option to extend annually until May 2023: proposed Dr Reid, seconded Mr Whitehead.
PART VI - EDI item for consideration

17.0 Annual Equality, Diversity & Inclusion Report 2018/19. The Pro-Vice- Chancellor Student Experience & Resources, Professor Russell presented the University’s Equality, Diversity and Inclusion (EDI) Report 2018/19, which summarised staff and student data according to protected characteristics, and sought to provide assurance to Governors that equality and diversity was being effectively managed within the University, noting that the report, which was originally due to be considered at the Board of Governors cancelled March 2020 meeting, had been published on the University website by the due date of 1st April 2020.

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 the Higher Education Statistics Agency (HESA) and the Education & Skills Funding Agency (ESFA) and data for European and International Students;
- Data for sexual orientation and religion or belief was not monitored by the ESFA so this information is presented for HE students only;
- The data regarding participation, continuation and attainment was recorded for home & 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 and feature in our new Access and Participation Plan;
- 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 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 and noted that ensuring the inclusivity of the curriculum was a long-term strategic aim, which the University was committed to progressing as courses were reviewed and approved, with the Student Governors commenting positively on the student experience of curriculum change to date. The Pro-Vice-Chancellor Student Experience & Resources reported that the University had been intending to explore the decolonisation of the curriculum as part of a planned conference, noting that due to the Covid-19 pandemic this had been postponed but would be considered for 2020/21, possibly as an online conference.

In response to a question from Ms A Palmer-Jones (Students’ Union President/ Student Governor), the Pro-Vice-Chancellor Student Experience & Resources reported that the University already provided training for staff on unconscious bias, which was reviewed regularly to ensure it remained relevant.

Ms A Palmer-Jones thanked the University for agreeing that the Students’ Union could put out a statement in support of the Black Lives Matter movement.
The Pro-Vice-Chancellor Student Experience & Resources thanked the Student Governors and the Students' Union staff for their work in support of the University's EDI agenda, noting that the University intended to build on the progress made during the current year.

The Lead Governor for Equality, Ms Handa, proposed that intersectionality (e.g. the overlap between race and gender) be considered as part of EDI training, with Professor Whittaker (Pro-Vice-Chancellor Academic) noting that the University's research community included expertise in this area.

(The Vice-Chancellor, Professor Wonnacott, left the meeting).

The Board of Governors received the Annual Equality, Diversity & Inclusion Report 2018/19.

**PART VII - EDI item for approval**

**18.0 Equality, Diversity & Inclusion Policy.** The Pro-Vice-Chancellor Student Experience & Resources stated that under the Board of Governor’s agreed schedule of delegation that the University’s Equality, Diversity & Inclusion Policy was one of a number of key policies which required the approval of the Board of Governors.

Governors noted that: the Equality, Diversity & Inclusion Policy had been considered at the Equality, Diversity & Inclusion (EDI) Committee on the 15th January 2020; the policy had been extensively rewritten to take into account developments in case law since the previous iteration of the policy, as well as relevant European Human Rights Commission (EHRC) Universities UK (UUK) reports; the policy included two new proposed specific objectives that the EDI Committee had reviewed as part of their obligations under the Equality Duty, welcoming the opportunity to align these objectives with the EDI targets that applied as part of the University’s Access and Participation Plan.

The Board of Governors approved the Equality, Diversity & Inclusion Policy: proposed Dr Reid, seconded Mr Whitehead.

**PART VIII - governance matters: items for approval**

**19.0 Report on Chair’s action.** The Clerk reported that the following actions had been taken by the Chair of the Board of Governors since the last meeting on the 26th February 2020:

- 26th March 2020: amendment to the Board of Governors’ Standing Orders concerning use of telephone/video conferencing by the Board of Governors, with Chair’s action was taken following advice received by the Clerk from Eversheds Sutherland and following e-mail consultation with Governors, who had been unanimous that the change should be made.
- 31st March 2020: amendment to the 2019/20 internal audit plan due to Covid-19 i.e. replacement of the planned Business Continuity review, which could not be undertaken once the University’s buildings were closed down, with an Information Governance review, with Chair’s action taken on the recommendation of the Pro-Vice-Chancellor Assurance & Director of Finance following consultation with the Chair of the Audit Committee.
- 12th May 2020: As Mr David Bagley’s first 4-year term of office as an Independent Governor had expired on 12th April 2020 and the March 2020 Board of Governors’ meeting due to consider his re-appointment had been cancelled, the Chair had, on the recommendation of the Clerk, appointed Mr Bagley as a temporary external co-opted Audit Committee member before the Audit Committee meeting held on 20th May 2020 to permit his attendance at the meeting.
The Board of Governors noted the report on Chair’s actions taken since the last Governor’s meeting which was held on 26th February 2020.

20.0 **Proposed revisions to Instrument & Articles of Government.** Governors noted that at the November 2019 Board of Governors meeting it had been agreed to submit revised Instrument & Articles of Government to the Privy Council for approval, removing the requirement for Privy Council approval for future revisions to the Instrument & Articles of Government as permitted under the Higher Education & Research Act 2017. The Privy Council consented on 6 Jan. 2020 to the Board of Governors’ request and the Board of Governors resolved, at its Jan. 2020 meeting, to adopt the revised Instrument & Articles of Government, effective from 6 Jan. 2020.

The Clerk reported that:
- A first draft of proposed changes to the Instrument & Articles of Government, as previously discussed by the Board of Governors, had been included in the papers for the cancelled March 2020 Board of Governors' meeting;
- The draft had subsequently been discussed with Eversheds Sutherland, amended, as noted below, and was being re-presented to the Board of Governors;
- The revised Instrument of Government was unchanged from the draft included in the March 2020 Board of Governors’ papers i.e. proposed amendments included use of gender neutral language and replacement of a Co-opted Governor with an Independent Governor with experience in the provision of education.
- The draft Articles of Government have been further revised since March 2020 to include, at new Article 7, detailed procedures for written resolutions, and also included, at paragraph 1.2 of the Interpretation section of the draft Articles, the addition of a provision permitting the use of telephone and video conferencing, reflecting the current wording in the Interpretation section of the Board of Governors’ Standing Orders;
- Under its reportable events procedure, the Office for Students (OfS) should normally be notified of approved revisions to the University’s Instrument & Articles of Government within 5 days but this requirement had been suspended during the current Covid-19 pandemic (see agenda item 26 below).

The Board of Governors approved the revisions to the Instrument & Articles of Government: proposed Mr Finnigan, seconded Dr Reid.

21.0 **Proposed addition to the Standing Orders.** 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, with the last review being undertaken at the Board of Governor’s June 2019 meeting;
- A statement concerning use of telephone/video conferencing had been added on 26th March 2020, under Chair of Governors’ action, at paragraph 3 of the Interpretation section (see agenda item 19 above).
- The Clerk was proposed further minor updating amendments to the Interpretation section of the Standing Orders i.e. a simplification of paragraph 1 of the Interpretation section, reflecting the fact that the Board of Governors now had the power to amend the Instrument & Articles of Government without submitting any proposed amendments for Privy Council approval, and the addition of a cross-reference at paragraph 3 of the Interpretation section to proposed new section 7 of the Articles of Government.

The Board of Governors approved the revised Standing Orders, noting that the full annual review of the Standing Orders would take place at the October 2020 Board of Governors meeting: proposed Professor Pickles, seconded Mr Finnigan.
22.0 Revision to the membership section of the Remuneration Committee terms of reference. Dr Reid, as Chair of the Remuneration Committee, reported that the Remuneration Committee was recommending to the Board of Governors the following revision to the membership section of its terms of reference: the current wording of section 3) after the statement 'Variation of *ex officio* membership of the Remuneration Committee' should be deleted and replaced with ‘Where a member of a committee is a member *ex officio* by virtue of more than one other position, the Board of Governors may appoint a person to fill the vacancy so created on the committee for its duration from among the Independent members of the Board of Governors, on the recommendation of the Search & Nomination Committee’.

The Board of Governors approved the revision to the membership section of the Remuneration Committee terms of reference: proposed Professor Pickles, seconded Mr Finnigan.

(Mr Ramshaw left the meeting).

23.0 Schedule of Board of Governors & committee meeting dates for 2020-21. The Clerk presented the proposed schedule of Board of Governors and Committee meeting dates for 2020-21, it was noted that the meetings would be kept under review during the year.

The Board of Governors approved the schedule of Board of Governors and Committee meetings dates for 2020-21: proposed Mr Bagley, seconded Dr Reid.

24.0 Report on use of the University seal. The Clerk presented to the Board of Governors the report on the use of the University seal, noting that following the meeting held on 26th February 2020 the following had been signed by the Vice-Chancellor and Deputy Chair of the Board: Deed of Variation of a Nomination Agreement dated 28 September 2017 relating to Liberty Park, Nomination Agreement relating to student accommodation at Cross Chancellor Street, Leeds.

25.0 4-yearly election of Chair. The Clerk reported that: Mr Clements' final term of office as an Independent Governor and, at the same time, his 4-year term of office as Chair of the Board of Governors, would end on 16th July 2020; there would therefore be a vacancy for a Chair of the Board of Governors from that date; under the Standing Orders of the Board of Governors, the Chair of the Board of Governor holds office for 4 years, subject to annual re-appointment.

The Board of Governors noted a report from the Clerk on the process of the election of Chair of the Board of Governors, noting that a call for nominations would be e-mailed to Governors and that, if more than one nomination was received, an online election would be held using e-Studio.
26.0 Documents/links from regulators &/or other outside bodies. The Board of Governors noted the following documents/links from HE sector bodies or regulatory authorities:

- [https://www.officeforstudents.org.uk/publications/regulatory-requirements-during-the-coronavirus-covid-19-pandemic/](https://www.officeforstudents.org.uk/publications/regulatory-requirements-during-the-coronavirus-covid-19-pandemic/) noted partial relaxation to the OfS reportable events requirements as a result of the Covid-19 pandemic although providers were still required to report a change of Chair to the OfS.

The Clerk reported that papers sent out with the agenda for the cancelled March 2020 meeting of the Board of Governors had included an OfS letter dated 9th March 2020 concerning a request from the OfS for information on an ongoing basis about confirmed and suspected cases of Covid-19 amongst staff and higher education students, which the OfS had subsequently withdrawn.

The Pro-Vice-Chancellor Assurance & Director of Finance reported that the OfS now required providers to inform them if their liquidity was expected to fall below 30 day, which was not a risk for the University

The Board of Governors noted the documents/links from the OfS.

27.0 Board of Governors: committee minutes.

Audit Committee minutes of 22nd Jan. 2020. The Board of Governors received, for information, the approved minutes from the Audit Committee meeting held on the 22nd January 2020, which had considered for approval the University's TRAC & TRAC for Teaching (TRAC (T)) return.

(ii) Audit Committee minutes of 20th May 2020. The Chair of the Audit Committee gave a verbal report on the Audit Committee meeting which had been held on the 20th May 2020, noting that: when discussing the University's risk register, there had been a thorough discussion of the addition of a risk on the current Covid-19 situation to the register, with the highest risk rating given; the Block 1 internal audit reports were received, including reports arising from the Quality Management and Health & Safety reviews; the external audit plan had been discussed and a formal recommendation on its approval would be made to the July 2020 Board of Governors' meeting; a new external audit team from KPMG would be conducting the audit for the year ending 31st July 2020.

(ii) Search & Nominations Committee minutes of 13th May 2020. The Board of Governors noted that the minutes from the Search & Nominations Committee on the 13th May 2020 would be presented to the July 2020 Board of Governors' meeting.
PART XI - Final matters

28.0 Any other business. There were no other items of business.

29.0 Risk Management. There were no new items of risk identified at the meeting.

30.0 Date of next meeting. It was noted that the Board of Governors was next due to meet on: Wed. 1st July 2020 at 1.30pm.

PART XII - Reserved Matters

31.0 Exclusions. The following staff and student members withdrew before consideration of items on the confidential Reserved Matters agenda: Ms S Bailey (Pro-Vice-Chancellor Assurance & Director of Finance), Ms G Edge (elected & co-opted Staff Governor), Ms O Motema (elected Student Governor), Ms A Palmer-Jones (Students’ Union President/Student Governor), Professor D Russell (Pro-Vice-Chancellor Student Experience & Resources), Dr S Taylor (Governor nominated by the Academic Board) and Professor R Whittaker (Pro-Vice-Chancellor Academic).
PART II – Items for approval

3.0 Minutes of the June 2020 meeting. The minutes of the meeting of the Board of Governors held on 3rd June 2020, including the confidential minutes, were approved: proposed Mr Whitehead, seconded Mr Finnigan.

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. There were no other matters arising from the minutes.

The Board of Governors received the action table report.

**PART III - strategic items for consideration &/or information**

5.0 **Chief Executive’s report.** The Vice-Chancellor, Professor Wonacott presented the CEO’s report for July 2020. Governors considered the report, noting, in particular, the following areas covered by the report.

(i) **Plans for September 2020**
Governors noted that all of the University’s buildings had been mapped out for social distancing and capacities had been distributed to academic staff. The same process was being carried out for offices and workshops. Students and staff had been provided with as much information as possible and the website had been updated with information on how the University planned to teach and manage with social distancing still likely to be in place by September 2020.

[Confidential minute].

(ii) **Academic Enrolment, Retention and Success Rates**
The Vice-Chancellor reported that the conversion of higher education (HE) applications to enrolments was positive at this stage although, until enrolments were known in September 2020, it would be difficult to predict how many students would join the University given the continuing global pandemic. The effect that this would have on the University's international recruitment was not yet known but the situation was being carefully monitored by the senior management team (SMT). In further education (FE), the acceptance of places overall had remained steady and was likely to be close to the expected numbers.

(iii) **Research**
Governors noted that the Research Excellence Framework (REF) 2021 submission deadline had been confirmed as noon on the 31st March 2021 for all elements of submissions. Governors commended the high level of research output which was being produced in the period relevant to the REF.

(iv) **Successes**
Governors considered the section in the report on student successes, noting the high number of inspiring reports of success that had occurred during the current pandemic and lockdown. The Leeds Arts Union, in collaboration with the Afro Caribbean Society, exhibition at the Leeds Corn Exchange to celebrate the work of the University’s Black, Asian and Minority Ethic (BAME) student community, which had taken place just before lockdown was also noted. The Vice-Chancellor thanked the Student Union for organising a number of high-level exhibitions of student work during the 2019/20 academic year.

The Chair noted, with reference to research outputs, Pro-Vice-Chancellor Academic, Professor Whittaker’s recent WonkHE article (What have we done? How not to be complicit in racism) as a contribution to the Black Lives Matter (BLM) movement. The Vice-
Chancellor also highlighted the contribution that had been made by the Students' Union in relation to BLM.

The Board of Governors received the Vice-Chancellor's CEO's report for July 2020.

6.0 **Strategic key performance indicators (KPIs).** Members noted that there was no update on the strategic key performance indicators report which had been presented to the June 2020 meeting of the Board of Governors.

**PART IV - academic items: for information**

7.0 **Academic Board report.** Members noted that the minutes of the Academic Board meeting held on 26th June 2020 would be presented to the Board of Governors' Oct. 2020 meeting.

**PART V - finance items: for review**

8.0 **Management accounts.** The Pro-Vice-Chancellor Assurance & Director of Finance, Ms Bailey, presented the management accounts for the period ending 31st May 2020, including a review of financial KPIs, which were considered.

Governors noted that:

- The operating surplus to the 31st May 2020 was healthy and the year end surplus was also currently expected to be healthy, although there remained some uncertainty due to the Covid-19 situation;
- Income was slightly above budget due to a lower than budgeted non-collection rate and increased higher education (HE) and FE Home tuition fee income;
- There had been extra expenditure on Personal Protective Equipment (PPE) and on works to ensure that the University's buildings were Covid-secure, although it was likely that some of this expenditure would fall into the next financial year;
- The University's cash position was healthy;
- To compensate for the reduced course consumables spend, an additional materials allowance payment had been made to all HE students in June 2020.

**Action: Clerk/PVC Assurance & Dir. of Finance**

The Board of Governors considered and received the management accounts for 31st May 2020.

**PART VI - finance items: for approval**

9.0 **Estimates of income & expenditure and Students' Union budget.**

(i) **University budget 2020/21: estimates of income and expenditure**

It was noted that: under the University’s Articles of Government, the Board of Governors was responsible for ‘approving annual estimates of income and expenditure’; whilst the Board had approved the financial plan for the period up to 31 July 2024 in November 2019, the assumptions underpinning this forecast had since changed substantially.

The Pro-Vice-Chancellor Assurance & Director of Finance reported that: the forecast paper presented to the Board of Governors’ June 2020 meeting had
noted uncertainty over student recruitment as a result of the current global pandemic; this has meant that a phased approach had been taken for the budget and a number of different financial forecasts were being maintained; in order to comply with the Articles of Government, it was therefore being recommended that the Board of Governors should approve the forecasts discussed at its June 2020 meeting.

The Board of Governors approved the University's estimates of income and expenditure for 2020/21, which had been presented and considered at the Board of Governors' June 2020 meeting, agreeing that a full budget should be presented for approval at its November 2020 meeting once enrolment figures were confirmed: proposed: Mr Bagley, seconded Mr Finnigan.

Action: PVC Assurance & Director of Finance

(ii) Students' Union budget 2020/21

It was noted that under section 22(1) the Education Act 1994, the Board of Governors was responsible for taking such steps as were reasonably practicable to ensure that 'the financial affairs of the (students) union should be properly conducted and appropriate arrangements should exist for the approval of the union’s budget, and the monitoring of its expenditure, by the governing body'.

The Pro-Vice-Chancellor Assurance & Director of Finance reported that: as a result of the Covid-19 pandemic, there remained uncertainty concerning the types of events and work that the Students' Union could undertake, particularly at the start of the academic year, which meant that it was not currently possible to present a detailed budget for 2020/21 to the Board of Governors for approval and a range of estimates based on possible student numbers were therefore being recommended to the Board of Governors for approval; the grant from the University for 2020/21 was estimated to be between £15,000 and £20,000, with costs being in line with the grant income.

It was noted in response to Governors' questions that: the University would ensure that the Students’ Union would be able to provide the students at the start of the new academic year with a range of activities. Ms Palmer-Jones, Students’ Union President/Student Governor, reported that the income generated by the Students’ Union would be reduced due to fewer activities and events, although, with the move to online events, it was noted that event costs should also be lower.

The Board of Governors approved the simplified Students’ Union Budget for 2020/21, agreeing that a full budget should be presented for approval at its November 2020 meeting: proposed: Mr Bagley, seconded Mr Finnigan

Action: PVC Assurance & Director of Finance

10.0 Financial Regulations.

(i) Financial Regulations review. The Pro-Vice-Chancellor Assurance & Director of Finance reported that: under the Board’s approved scheme of delegation, the Board of Governors had reserved to itself approval of the University's Financial Regulations, which had last been approved by Governors in July 2019; following the annual review of the Financial Regulations by the Pro-Vice-Chancellor Assurance & Director of Finance, minor changes were being proposed, in particular at Section 16 (Theft, Fraud, Regularity and Propriety), which had been simplified to refer to other
relevant policies e.g. the Policy on Fraud, Bribery, Corruption and Irregularities, the Whistle Blowing Policy.

**Action: PVC Assurance & Dir. of Finance**

The Board of Governors agreed the following amendments to the draft revised Financial Regulations: at section 12.8, 'terrier' should be changed to 'list of land'; at section 16.6, 'refer to' should be amended to read 'refer to and act on'.

The Board of Governors approved the University's revised Financial Regulations, with the amendments noted above: proposed Mr Whitehead, seconded Mr Bagley.

**Action: PVC Assurance & Dir. of Finance**

(ii) **Tenders.** It was noted that the University's Financial Regulations set out the circumstances in which tenders required Board of Governors' approval. The Pro-Vice-Chancellor Assurance & Director of Finance presented the report and recommendation on the contract for the provision of insurance and supporting brokerage services, reporting that: the contract was for an initial 3 year period up to 31\textsuperscript{st} July 2023 and had been tendered using the Crescent Purchasing Consortium (CPC) framework for Insurance and Associated Services for Colleges, Lot 1.

It was noted that: all suppliers on the framework agreement were required to pass a pre-selection questionnaire with pass/fail questions relating to equality and health and safety legislation as well as passing a financial risk assessment to confirm their economic and financial standing together with confirmation of insurance held and quality assurance standards met; as the suppliers has been vetted as part of the framework process, the request for quotation (RFQ) evaluation had focused on specific University requirements; the main evaluation weightings for the tender had been set at a 40% cost/60% quality split; the University undertook a thorough evaluation process of the bids returned, including an in-depth assessment of both suppliers’ insurance policies and associated terms; upon completion of the tender evaluation process, Hettle Andrews, which currently provided the University's insurance and supporting brokerage services, had scored highest and was the preferred supplier for insurance provision.

The Board of Governors approved the appointment of Hettle Andrews as the University’s supplier of insurance and supporting brokerage services for the contract period August 2020 to July 2023, with the option to extend until July 2025: proposed Ms Edge, seconded Ms Handa.

**PART VII - audit items: for approval**

11.0 **External audit 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 31\textsuperscript{st} July 2020, which had been considered at the Audit Committee meeting held on the 20\textsuperscript{th} May 2020.

Mr Finnigan reported that the plan described KPMG’s overall strategy and scoping, their 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 of 31\textsuperscript{st} July 2020.
Mr Finnigan reported that most areas of risk focus were similar to the previous year (e.g. risks relating to pension liability, revenue recognition, management override of controls), with the following areas of new or increased risk/focus noted by the Audit Committee: overall financial position and going concern (an increased risk due to the impact of Covid-19, Brexit and student fees); access and participation expenditure (a new audit requirement from the OfS and therefore a new area of audit focus); valuation of tangible fixed assets risk (a new area of audit focus following completion of the Blenheim Walk extension). It was noted that, for future years, the Financial Reporting Council (FRC) revised UK auditing standard for Going Concern, would mean that KPMG would increase their scrutiny of going concern when undertaking the year-end audit.

Mr Finnigan reported that: the Audit Committee had noted that fees for the financial statements audit were as agreed at tender but there was some uncertainty concerning the final level of the following fees: an additional line had been included in the fees table in the plan due to an OfS requirement for an audit of access and participation expenditure and grant and fee income to be included within the external auditors' opinion on the accounts; KPMG had been unable to confirm the fee for this audit as they were still waiting details of the OfS's requirements; the Teachers Pension Scheme (TPS) return fee had been estimated, as KPMG was awaiting details from the Teachers' Pension Authority of the level of work required.

The Board of Governors approved the external audit strategy and plan, on the recommendation of the Audit Committee: proposed Mr Whitehead, seconded Professor Pickles.

12.0 **Fraud, Bribery, Corruption & Irregularities Policy.** The Pro-Vice-Chancellor Assurance & Director of Finance reported that: under the Board’s approved scheme of delegation, the Board of Governors had reserved to itself approval of the Fraud, Bribery, Corruption & Irregularities Policy; the policy had been updated to reflect changes from the OfS and Department of Education (DfE) with regard to the reporting of fraud; the Audit Committee had reviewed and discussed the draft policy on the 18th June 2020 and further amendments to the policy had been made as a result of that discussion.

The Board of Governors approved the Fraud, Bribery, Corruption & Irregularities Policy, on the recommendation of the Audit Committee: proposed Professor Cullen, seconded Mr Bagley.

13.0 **Risk Management Policy.** The Pro-Vice-Chancellor Assurance & Director of Finance reported that: under the Board’s approved scheme of delegation, the Board of Governors has reserved to itself approval of the Risk Management Policy; the policy had been updated to reflect the changes from the OfS, the Higher Education Code of Governance and the current procedure; the Audit Committee had reviewed and discussed the draft policy at its meeting on the 18th June 2020 and further amendments had subsequently been made to the policy which took into account issues raised at that meeting.

The Board of Governors approved the University's updated Risk Management Policy, on the recommendation of the Audit Committee: proposed Mr Bagley, seconded Mr Whitehead.
Dr Reid left the meeting.

PART VIII - governance items: for information

14.0 Report on Chair’s action. Members noted that no action of the kind specified had been taken by the Chair of the Board of Governors since the last meeting of the Board of Governors.

15.0 Report on use of the University seal. Members noted that there had been no use of the University seal since the last meeting of the Board of Governors.

16.0 4-yearly election of the Chair & Deputy Chair of the Board of Governors. The Clerk to the Board of Governors reported that: under the Articles of Government, the Chair and Deputy Chair of the Board of Governors were appointed from among the Independent Governors; under the Board of Governors' Standing Orders, the Chair and the Deputy Chair of the Board of Governors were elected for 4 years subject to annual re-appointment; Mr Clements’ final term of office as an Independent Governor and his 4 year term of office as Chair of the Board of Governors would end on the 16th July 2020; nominations had therefore been sought to fill the vacancy for the role of Chair of the Board of Governors which would arise from 17th July 2020.

Governors noted that: Mr Finnigan, who was currently Deputy Chair of the Board of Governors, had been nominated for the role of Chair of the Board of Governors by Mr Clements, with the nomination seconded by Professor Wonnacott; as no other nominations had been received by the deadline set for nominations, Mr Finnigan was considered to have been elected unopposed as Chair of the Board of Governors from 17th July 2020 for a period of 4 years, subject to annual re-appointment.

Governors noted that: Mr Finnigan’s acceptance of the role of Chair of the Board of Governors had created a vacancy for a Deputy Chair of the Board of Governors from 17th July 2020; Professor Cullen had been nominated for the role of Deputy Chair of the Board of Governors by Mr Clements, with the nomination seconded by Professor Wonnacott; as no other nominations had been received by the deadline set for nominations, Professor Cullen was considered to have been elected unopposed as Deputy Chair of the Board of Governors from 17th July 2020 for a period of 4 years, subject to annual re-appointment.

PART IX - governance items: for approval

17.0 OfS reportable events: appointment of new Chair of the Board of Governors. The Clerk to the Board of Governors reported that: in response to the Covid-19 pandemic, the OfS had relaxed some of its requirements in relation to reportable events but informing the OfS of the appointment of a new Chair had remained a reportable event.

It was noted that the Board of Governors was required to respond to the following statement ‘Is the provider’s governing body satisfied that this individual meets the indicators for a ‘fit and proper person’ set out in Annex B of the OfS’s regulatory framework? If any concerns were identified during this process, please provide details and information about how the concerns were resolved’. The Clerk reported that, following relevant research, there had been no concerns identified in respect of Mr Finnigan meeting the OfS's
The Board of Governors approved the submission of the completed OfS reportable event form concerning the appointment of Mr Finnigan as the new Chair of the Board of Governors, including the statement confirming that the Board considered Mr Finnigan to be a ‘fit and proper person’, agreeing that, prior to submitting the form, the Clerk should confirm with Eversheds Sutherland whether Mr Finnigan needed to be shown on the form as a ‘trustee’ or ‘member’: proposed Professor Pickles, seconded Mr Ramshaw.

Action: Clerk

Dr Reid returned to the meeting.

18.0 Annual appointment of committee Chairs. The Clerk to the Board of Governors reported that: under section 4.1 of the Board of Governors’ Standing Orders, Committee Chairs and Vice-Chairs could be appointed by the Board of Governors or their appointment could be delegated to each Committee; the Board of Governors had resolved at its meeting on the 9th October 2019 that the Chairs of the Board of Governors’ Committees should in future be appointed annually by the Board of Governors, with Committee Vice-Chairs continuing to be elected annually by each Committee at the first Committee meeting of the year.

The Board of Governors approved the following appointments/reappointments, proposed Mr Finnigan, seconded Mr Whitehead:

- The re-appointment of Ms Handa as Chair of the Search and Nominations Committee for 2020/21;
- The re-appointment of Dr Reid as Chair of the Remuneration Committee for 2020/21;
- The appointment of Dr Reid as Chair of the Audit Committee for 2020/21.

19.0 Board of Governors’ standing agenda item list 2020-21. The Clerk to the Board of Governors reported that: guidance on some OfS requirements had yet to be received e.g. in relation to TRAC; as a result of uncertainty due to the Covid-19 pandemic, presentation of the detailed University budget for 2020/21 and the detailed Students’ Union budget for 2020/21 had been deferred to the November 2020 meeting of the Board of Governors. The Clerk was therefore recommending that the Board of Governors should continue to use its current standing agenda item list with the minor updating changes shown in the draft standing agenda item list for 2020/21.

The Board of Governors approved the standing agenda item list for 2020/21 drafted by the Clerk, noting that the list would be presented to the Board of Governors for review and further amendment if required during the year e.g. in response to changed OfS requirements: proposed Mr Bagley, seconded Professor Pickles.

Action: Clerk
PART XI - Committee minutes & reports: for receipt

22.0 Board of Governors: committee minutes.

(i) **Search & Nominations Committee minutes of 13th May 2020.** The Board of Governors received, for information the minutes of the Search & Nominations Committee meeting held on the 13th May 2020. The Chair of the Search & Nominations Committee, Ms Handa, highlighted recommendations within the minutes which had been brought to the June 2020 Board of Governors' meeting and reported that succession planning and advertising had been discussed at the Committee's May 2020 meeting.

(ii) **Audit Committee meeting of 20th May 2020.** The Board of Governors received, for information the minutes of the Audit Committee meeting held on the 20th May 2020, noting that a verbal report on matters considered at the meeting had been given to the June 2020 Board of Governors' meeting.

(iii) **Audit Committee meeting of 18th June 2020.** The Board of Governors received, for information, the minutes of the Audit Committee meeting held on the 18th June 2020. The Chair of the Audit Committee, Mr Finnigan, reported that the Committee had considered 2 internal audit reports (Data Quality (application to enrolment) and Core Financial Controls), both of which had received grades of substantial assurance.
Mr Finnigan reported that the Committee had also discussed a proposed role description for the senior independent governor and that the amended document would be presented to the Search & Nominations Committee for review, with a view to the Committee making a recommendation to the Board of Governors on its approval.

**PART XII - Final matters**

23.0 Retiring Governors Mr Chris Clements, Ms Olga Motema, and Ms Aderice Palmer Jones were thanked for their contribution to the work of the Board of Governors.

24.0 **Any other business.** It was noted that there was no other business not already included on the agenda.

25.0 **Risk Management.** It was noted that no new items of risk had been identified.

26.0 **Date of next meeting.** It was noted that the Board of Governors was next due to meet on: Wed. 14 Oct. 2020 at 1.30pm.

**PART XIII - Reserved Matters**

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

28.0 **Reserved Matters: Board of Governors’ minutes.** The confidential Reserved Matters minutes of the meeting of the Board of Governors held on 3\(^{rd}\) June 2020 would be presented to the October 2020 Board of Governors' meeting.

*Action: Clerk*

29.0 **Reserved Matters: action plan update & matters arising.** The action plan attached to the above confidential Reserved Matters minutes would be presented to the October 2020 Board of Governors' meeting.

*Action: Clerk*

30.0 **Any other business arising from the Reserved Matters agenda.** There was no other business arising from the Reserved Matters agenda.

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