

BOARD OF GOVERNORS

Minutes of the meeting held on 31 OCTOBER 2007 at 1330 hrs at Newton Park

Present:

Mr I Ahluwalia	Ms S Pirie (Chair)
Mr J Amey	Mr M Roy
Mr J Anderson	Professor G Smith
Ms C Bull	Ms M Toman
Mr A Harris	Mr M Van de Woestyne*
Professor P Luna	* (formerly Crocker)
Professor F Morgan (Vice Chancellor)	

In attendance:

Mr A E Dewberry (Clerk)	Ms A Stone
Mr J Brady	Dr A Thomas
Ms A Leon (to agenda item 7)	Professor D Timms
Mr S McDonough	Mr K Wright

Unable to attend: Professor J Brown, Mr P Parker (Deputy Chair), Mr I Phillips,
Ms S Talbot-Williams

07/01 CHAIR

Ms S Pirie withdrew and the Clerk took the chair for the commencement of the meeting.

07/02 APPOINTMENT OF CHAIR

The Clerk referred to Paper G567 inviting the Board to appoint from its membership a person to hold the Established Office of Chair of the Corporation and noting that in response to his invitation, a single nomination (Ms S Pirie) had been received.

Following consideration, the Board of Governors:

- a) received Paper G567;
- b) unanimously approved the appointment of Ms Stella Pirie as Chair for a period of three years commencing 1 September 2007 or until such time as she may cease to be a member of the Board of Governors, and
- c) noted and endorsed interim arrangements initiated by the Clerk.

Ms Pirie took the Chair.

07/03 MINUTES : 27 JUNE 2007

Minutes of the meeting held on 27 June 2007, which had been circulated, were received as a correct record.

07/04 MATTERS ARISING

None

07/05 CHAIR'S BUSINESS

07/05.1 Co-opted Member

The Chair welcomed Mr James Anderson (the President of the Students' Union) for the period to 30 June 2008 to his first meeting as a Co-opted member of the Board of Governors.

07/05.2 External Audit Service

The Clerk reported that, at its meeting held earlier that day, the Audit Committee had received the report of the external auditor entitled "Bath Spa University Report to Management" for the year ended 31 July 2007. The Audit Committee had noted that:

- a) the audit operations of RSM Robson Rhodes LLP merged with those of Grant Thornton UK LLP on 1 July 2007;
- b) the name of the merged company is Grant Thornton UK LLP, and
- c) on 1 July 2007, the Vice Chancellor had signed and issued a letter of appointment to Grant Thornton UK LLP confirming that company as External Auditors to the University.

Following consideration, the Board of Governors:

- a) noted the report of the Clerk, and
- b) endorsed the actions of the Vice Chancellor in confirming the appointment of Grant Thornton UK LLP as External Auditors to the University.

07/06 CO-OPTED MEMBER : B&NES NOMINATION

The Clerk referred to Paper G568 inviting the Board to receive a nomination from Bath and North East Somerset Council (B&NES) for appointment as a Co-opted Governor, (pursuant to Minute 06 / 46.2 June 2007).

Following consideration, the Board of Governors:

- a) received Paper G568, and
- b) approved the appointment of Cllr C Watt as a Co-opted Governor until 1 April 2011 or such other time as he may cease to be a member of the B&NES Council.

07/07 INDEPENDENT MEMBERS: NOMINATIONS

The Clerk referred to Paper G569 informing the Board of nominations received for appointment to six imminent vacancies within this category of Board membership. The periods of office of the following members would expire on 21 November 2007:

Mr I Ahluwalia
Mr J Amey
Professor P Luna

Mr P Parker
Mr I Phillips
Mr M Roy

The Board of Governors received Paper G569 and noted that the Committee of Independent Governors would meet to consider nominations immediately following conclusion of the Board meeting.

07/08 REGISTER OF INTERESTS (GOVERNORS)

The Clerk referred to Paper G570 presenting a current Register of Interests of all members of the Corporation.

Following consideration, the Board of Governors:

- a) received Paper G570, and
- b) noted the HEFCE Audit Service's express commendation of the manner in which this Board both maintains and publishes its Register of Interests.

07/09 REMUNERATION COMMITTEE: BUSINESS CONDUCTED BY POST

The Clerk referred to Paper G571 reporting that the Remuneration Committee had taken no decisions by way of correspondence between its members in the year ended 31 July 2007.

Following consideration, the Board of Governors received Paper G571.

07/10 VICE CHANCELLOR'S REPORT

07/10.1 Equality and Diversity of Opportunity

The Vice Chancellor reminded Governors of the Board's responsibilities to establish, maintain and implement policies ensuring equality and diversity of opportunity. He invited Ms Arlene Stone (Head of Human Resources) and Ms Amanda Leon (Head of Student Support Services) to advise the Board of the progress being made in these important matters.

Ms Leon described the statutory basis on which the University was required to implement equality of opportunity and diversity policies and the implications in relation to students in terms of physical, academic and social access to University services and facilities. Ms Leon tabled a paper "Supporting Equality and Diversity" setting out the action taken by the University.

Ms A Stone expanded on policies applicable to staff and described current and proposed action being taken to review, improve and monitor the impact of these policies. This included detailed review and analyses to ensure that University policies and actions fully reflected the requirement for equality of opportunity and diversity for all.

Following discussion the Board of Governors:

- a) thanked Ms Leon and Ms Stone for their informative presentations, and

- b) confirmed its satisfaction that the University had established, and is maintaining, non-discriminatory systems to provide equality and diversity of opportunity for students and staff in accordance with advice set out in the Guide for Members of Higher Education bodies published by the Committee of University Chairmen.

07/11 STUDENT APPLICATIONS AND RECRUITMENT 2007 / 08

The Vice Chancellor described continuing encouraging recruitment trends and invited Dr A Thomas to expand on Paper G572 detailing the numbers of students who had applied to BSU for entry in 2007 / 08 and reporting provisional recruitment figures for 2007 / 08 for full-time degree, foundation degree and PGCE courses.

The Board noted that applications to BSU had risen by 22%, nearly four times higher than the sector average. However, applicants declining offers had risen by a similar amount so that the net position in 2007 / 08 was almost identical to that in 2006 / 07.

Following discussion, the Board of Governors received Paper G572.

07/12 RISK MANAGEMENT : ANNUAL REVIEW OF EFFECTIVENESS

Mr J Brady expanded on Paper G573 describing the University's approach to the management of risk and inviting the Board to consider the effectiveness of internal controls.

The Paper explained:

- the risk based nature of the University's internal control systems which were designed to identify the principal risks to the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The process followed HEFCE guidance and had been in place throughout the year ended 31 July 2007.
- the responsibilities of the Board of Governors for reviewing the effectiveness of the systems of internal control and the processes which had been established to ensure that these responsibilities were effectively discharged, and
- policies and practices in relation to the on-going revision and updating of the University High Level Risk Register.

Following consideration the Board of Governors received Paper G573.

07/13 REPORT & FINANCIAL STATEMENTS 2006 / 07

The Vice Chancellor referred to Paper G574 presenting the draft Report & Financial Statements 31 July 2007 and providing additional management accountancy information. The Chair advised the Board of Governors that earlier that day, the Policy & Resources Committee had endorsed the report subject only to minor amendments to narrative.

Mr J Brady expanded on his report and confirmed that the draft Annual Report and Financial Statements, internal controls and corporate governance statements had also been considered by the Audit Committee in the presence of the External Auditors.

Following discussion, the Board of Governors:

- a) received Paper G574;
- b) noted the sound financial results for 2006 / 07;
- c) confirmed in accordance with FRS18, that the accounting policies on pages 15 – 16 of the draft report were appropriate, and
- d) approved the draft Report and Financial Statements 31 July 2007 and delegated authority to the Vice Chancellor and the Chair to sign the final accounts and the Letter of Representation on behalf of the Board of Governors.

07/14

INHERITED LIABILITIES : HEFCE PROPOSALS

The Vice Chancellor referred to Paper G575 explaining the background and current position in relation to the funding arrangements agreed with HEFCE for financing of the inherited liabilities within the University's estate portfolio. The current arrangements, under which HEFCE provided direct financial support for inherited liabilities, were unique in the sector and HEFCE had continued to press for a revised arrangement.

Following protracted negotiations, HEFCE had proposed a settlement under which their financial responsibilities for University inherited liabilities would be bought out. Mr Jon Brady described his review of HEFCE's offer including the results of a sensitivity analysis and risk assessment. On balance he had concluded that the best interests of the University would be served by accepting the proposal. The Vice Chancellor had accepted this recommendation.

Following discussion the Board of Governors:

- a) received Paper G575;
- b) noted the terms of the HEFCE proposal, including actions taken by Management to assess the implications of accepting, or not accepting, the proposal;
- c) approved the proposal received from HEFCE;
- d) authorised the Vice Chancellor to conclude negotiations and to enter a formal agreement, and
- e) agreed that Paper G575 should remain confidential by virtue of on-going contractual / commercial negotiations.

07/15

ACCOMMODATION STRATEGY

Mr A E Dewberry, expanded on Paper G576, informing the Board of plans to increase University teaching space and residential accommodation. These included potential development at Newton Park, temporary and permanent development at Sion Hill, construction of a new campus site in the City, additional residential accommodation via a commercial developer and collaboration with B&NES in the use of accommodation permanent and temporary, for the delivery of teacher training courses.

Following discussion the Board of Governors:

- a) received Paper G576;
- b) placed on record the support and encouragement of the Board for Management's continued commitment and efforts to secure additional accommodation for the University, and

- c) agreed that Paper G576 should remain confidential by virtue of on-going contractual / commercial negotiations.

07/16 ANNUAL REPORT ON VALUE FOR MONEY 2006 / 07

Mr K Wright expanded on Paper G577 presenting the Annual Report on Value for Money (VFM) in accordance with the VFM Policy Statement adopted by the Board at the meeting held in October 2005 (Paper G504, Minute 05/11 refer).

Following consideration, the Board of Governors received Paper G577.

07/17 ANNUAL REPORT ON COMPLAINTS 2006 / 07

Dr A Thomas expanded on Paper G578 detailing formal complaints received by the University during 2006/07. The number of complaints received remained low and most were not well founded or had been dealt with by letter of apology.

Following discussion, the Board of Governors received Paper G547.

07/18 PERFORMANCE INDICATORS

At its meeting in April 2006 the Board noted development of a set of Performance Indicators (PIs) for the University and requested that annual reports on progress be presented to the Board commencing in October 2006 (Paper G520, Minute 05/42 refers). The PIs reflected the corporate strategy and characteristics of BSU as a Teaching – Led University.

Dr A Thomas expanded on Paper G579 presenting updated data for the chosen set of PIs and describing progress being made against the red and amber PIs (these identified areas of performance requiring improvement).

Following discussion the Board of Governors:

- a) received Paper G545, and
- b) noted that a further update would be presented to the Board at the meeting to be held in October 2008.

07/19 HEFCE : FINANCIAL MEMORANDUM 2007 / 08

The Clerk referred to Paper G580 presenting to the Board the Financial Memorandum (Funding Agreement) between the University and the Higher Education Funding Council for England (HEFCE) 2007 / 08.

Following consideration the Board received Paper G580.

07/20 ITEMS FOR RECEIPT

The Board of Governors formally received Minutes of the following meetings:

Policy & Resource Committee	:	25 April 2007
Audit Committee	:	31 January 2007
Academic Board	:	29 May 2007
	:	3 July 2007

07/21 OTHER URGENT BUSINESS

None.

The meeting closed at 1535 hrs.

Anthony E Dewberry
Clerk to the Board of Governors
1 November 2007

