

BOARD OF GOVERNORS

Minutes of a meeting held at 11.30am on 21st November 2018 at Newton Park

Present:

Mr T Jagger (Chair)
Ms N Campbell
Ms E Casey
Ms T Fisk
Mr M Francis
Mr J Glasspool
Ms R Heald
Lady T Lloyd
Mr R Lucas

Mr I Mansfield (by telephone)
Prof P Martin
Ms V Nawathe
Mr T Osborne
Mr D Pester (Deputy Chair)¹
Prof S Rigby (Vice-Chancellor)
Ms J Saunders
Dr C Wiffen

In attendance:

Mr D Newman (Secretary)
Dr D Curnow (Deputy Secretary)
Mr N Latham (Chief Operating Officer)
Prof N Sammells (Deputy Vice-Chancellor)

Ms A Stone (item 18/12)
Mr C Ellicott (items 18/13-14)
Mr S Johnson, External Auditor (item 18/07.1)

Apologies:

Mr S Blake

Dr S McMillan

18/01 APOLOGIES

The Chair welcomed all present to the meeting and noted apologies from Simon Blake and Susan McMillan. In addition, David Pester gave apologies for early departure.

In his opening remarks, the Chair thanked those who had organised the pre-meeting visit to Locksbrook Road to view the development of the new campus for art and design programmes. It had been informative and Governors would be reassured to note that good progress was being made.

18/02 MINUTES OF THE MEETING HELD ON 20th SEPTEMBER 2018

The draft minutes were agreed as a true record.

18/03 MATTERS ARISING

The Chair drew the Board's attention to the schedule of actions arising from the previous meeting appended to the Board papers. The following additional point was noted:

¹ Mr Pester was present for items 18/01-7.1, 18/08 and 18/12

17/75 Student Recruitment and Financial Implications: Early Indications – the arrangements for the external audit of marketing were confirmed.

[Mr Osborne joined the meeting]

18/04 CHAIR'S BUSINESS

4.1 Membership and Appointments (Paper G1017)

The Board agreed the appointment of Emily Casey as a student member on the Board for a term of office concluding no later than 30 September 2019. The Board also agreed the reappointment of Teresa Fisk as an Independent Governor for three years from November 2018 and the appointment of Jonathan Glasspool as Deputy Chair of the Board of Governors and Senior Independent Governor.

The revised memberships of the committees of the Board were approved. Ms Fisk was thanked for her period chairing the Audit Committee and for agreeing to chair the Finance and Infrastructure Committee.

The Chair reported that, owing to the time demands of his new role, Simon Blake had tendered his resignation and would step down after one more meeting of the Board. Mr Blake had indicated he would continue to work with the University on student mental health issues and this was welcomed.

4.2 Report on Attendance 2017/18 (Paper G1018)

Members were reminded of the importance of attendance at meetings and that the opportunity to dial-in by telephone was always available.

Paper G1017 was noted.

4.3 Register of Interests (Paper G1019)

Paper G1019 was noted.

18/05 REVISIONS TO CONSTITUTION (Paper G1020)

The Secretary noted updates to the draft Instrument and Articles of Government following the previous meeting and drew the Board's attention to amendments made prior to submission of the draft application to the Privy Council. The Privy Council had returned no comments, meaning the formal stage could now proceed with the Board's approval. A meeting had taken place with representatives of the University's trade unions and no substantive comments had come from that.

The Board agreed the formal resolution for the Chair to sign and noted the intention of the University to notify the Office for Students between this approval by the Board and formal consent by the Privy Council.

The Board also agreed that the new ordinances relating to Benefits of Members of the Board of Governors would come into place at the same time as the new Instrument and Articles of Government.

18/06 VICE-CHANCELLOR'S REPORT (Paper G1021)

The Vice-Chancellor presented her report, noting thanks to the Deputy Vice-Chancellor and Chief Operating Officer for enabling a very supportive and functional executive team. A number of internal matters were presented in the context of an extremely volatile external environment, including the Augar Review which could present financial challenges. Recent new appointments

in the form of staff joining from outside of the University and internal secondments were expected to address particular areas of work, including the student experience and recruitment.

The Vice-Chancellor also reported on a high level of engagement from staff and students with the consultation phase of the 2030 Strategy. The move to semesterisation had gone well and brought genuine innovation to the curriculum, with the first Special Projects and Activities (SPA) week a particular success to celebrate. Facilities development was also progressing satisfactorily.

The Board noted this update and, through discussion, was reassured of the ongoing work to manage the budget.

There was some discussion of the University's "3, 2, 1, Go!" initiative which was attracting attention in the media. The Board recognised the importance of pairing scholarships that incentivised achievement with contextualised offers which relied on applicants demonstrating their potential through a rigorous application process. The Deputy Vice-Chancellor reported from Open Days that applicants and their sponsors recognised that this initiative was about personal engagement and engendering a supportive culture and did not indicate a drop in standards.

The Board also welcomed the update on the first SPA Week which Members considered a very good initiative, providing a valuable additional experience to students and contributing to "value for money" for students. The plan and timeframe for establishing, reviewing and enhancing SPA Weeks were noted.

[Mr S Johnson (Grant Thornton) joined the meeting]

18/07 FINANCIAL MATTERS

7.1 Annual Report and Financial Statements 2017/18 (Paper G1022)

The Board noted that the engagement leader for the external auditors was not yet present but agreed to go ahead with this section and, in the event of any queries, would return to the item later.

The External Auditor presented the Annual Report and Financial Statements which had already been considered by the Audit Committee. He confirmed that the audit had gone smoothly, with no major errors in any of the accounts and no significant audit findings raised. There were no specific risks to bring to the Board's attention; internal controls had no weaknesses; and an issue relating to duplicate National Insurance numbers that had been raised the previous year had been satisfactorily addressed. He drew attention to the accounts of Bath Spa Global LLP, advising that the accounting period for the partnership would be extended by four months owing to the closure of the business, but that the current presentation enabled consolidation up to July 2018. In summary, the external auditor confirmed that the audit went to plan, with an agreed schedule and swift clarifications and responses from the University where queries arose. He also confirmed, in response to a question, that staff had been able to provide all the necessary information in a professional and timely manner.

In response to a question from the Board, the Chair of the Audit Committee confirmed the process for reappointing internal and external auditors, noting that a competitive selection process had taken place for both in the last financial year. As a result of this, Grant Thornton had been reappointed as external auditors and TIAA had been appointed as internal auditors.

There was some discussion regarding the annual report. The Chair confirmed that the approach to the report would be revised for next year, with an earlier discussion of strategic messages, which would necessitate an earlier start to the process. This should avoid the amendments that had been necessary this year. Regarding this year's annual report, it was much improved

compared with versions circulated to committees earlier in the month; any remaining factual inaccuracies were to be noted to the Secretary and Chief Operating Officer by noon of the following day and any further suggestions would be used to inform a paper to the Board in April proposing the approach for next year.

[ACTION: ALL]

On advice from the External Auditor, it was agreed that, provided delegation was managed appropriately, the accounts of the University's subsidiary companies did not have to come to the full Board meeting.

The following actions were taken in relation to the Appendices to Paper G1022 listed below:

- the report of the auditor was noted (Appendix A)
- the Annual Report and Financial Statements for the University were agreed (Appendix B)
- in accordance with FRS 102, the accounting policies (within Appendix B) were confirmed as appropriate
- the letter of representation in Appendix C was agreed and authority to sign it was delegated to the Chair of the Board
- it was noted that the accounts for the subsidiary companies Bath Spa U Ltd (BSUL) and Bath Spa Venues Ltd (BSV) (Appendices D and E) had been considered by their own Boards, and formed part of the University's consolidated results
- the two letters of support to those companies in Appendix F were agreed and authority to sign them was delegated to the Chair of the Board
- the report of the auditor and the accounts for Bath Spa Global LLP (BSG), which are being considered by the partnership's Board, were noted, including that the BSG results had been consolidated into the BSUL accounts (Appendices G and H)
- the explanation of all significant variances between the OfS financial forecast for the year ended 31 July 2018 and the annual financial statements (Appendix I) were agreed
- authority was delegated to the Chair and Vice-Chancellor to sign the report and accounts, subject to the correction of any remaining minor points that had been identified for attention.

[Mr Johnson (Grant Thornton) and Mr Pester left the meeting]

7.2 Financial Report for the Period 1 August 2018 – 31 October 2018 (Paper G1023)

The Chief Operating Officer reported on the forecast surplus, noting the implications of known uncertainties on the range within which that surplus might fall. Whilst the surplus was currently anticipated to be £1.43m against a budget of £1.72m, the expected range of outcomes was £0.18m to £2.48m. The risk profile was such that a fall in surplus from £1.43m was more likely than an increase. In addition, the Chief Operating Officer drew the Board's attention to an appendix setting out errors in the preparation of the 2018/19 budget that had been considered at the recent meeting of the Audit Committee. Improvements in practices were underway in response to this and a review by Grant Thornton was already in progress and would inform further action.

Paper G1023 was noted.

7.3 Tuition Fee Proposal for 2019/20 (Paper G1024)

The Board considered the tuition fee proposal for 2019/20, noting where the University had discretion over fees. The proposal included information on scholarships. The Chief Operating Officer confirmed that, following discussion at the Board the previous year, there had been

careful review of the materials charge for studio art and design programmes but that no change in approach was proposed for the next academic year. The Board accepted the rationale for this.

Lady Lloyd raised a query relating to the increase in students' contributions to the Fashion Show. The Chief Operating Officer agreed to check the reason for this and respond outside of the meeting.

[ACTION: CHIEF OPERATING OFFICER]

The tuition fee proposal for 2019/20 was agreed.

18/08 ANNUAL REPORT OF THE AUDIT COMMITTEE (Paper G1025)

Ms Fisk, as Chair of the Audit Committee, presented the annual report, providing a brief summary of the year and the assurances given. As noted earlier, the external audit had been clean. Whilst some matters for attention had emerged through internal audit, adequate control had been confirmed and there was a robust process in place for addressing and monitoring required action.

Paper G1025 was noted.

18/09 STRATEGIC DISCUSSION: FUTURE SIZE AND SHAPE OF THE UNIVERSITY (Paper G1026)

The Vice-Chancellor introduced the paper, noting that this was intended to provoke discussion from members of the Board around parameters of size, enabling the executive to carry out further research to inform their responses. She noted that, in consultation events to date, staff and students were equally split between suggesting that the institution maintain its current size and that it should grow a little bigger.

In discussion, the Board noted the implications of various sizes for resilience, ethos, overhead costs and efficiency. The careful management of any change in size was also recognised as critical, both for the University internally and, externally, for perceptions of the impact of students across the city of Bath. The importance of flexibility in the targets for ambitions was advised.

There was also some discussion regarding the nature of the University's portfolio. This included implications for the nature and size of the institution and opportunities for collaboration both within the region and internationally.

Paper G1026 was endorsed and the Board welcomed the suggestion that an initial skeleton of a 2030 Strategy could be shared with Governors early in 2019.

[ACTION: VICE-CHANCELLOR]

18/10 ACADEMIC DEVELOPMENTS

10.1 Curriculum Development Review (Paper G1027)

The Deputy Vice-Chancellor reminded the Board of the recruitment challenges that would be faced in the immediate future and presented a strategy for more self-conscious and deliberate development over the next few years. This included ten tests to be applied to new provision and to enable the re-purposing of current provision with the intention of positioning the University to take advantage of the anticipated growth in applicants in a few years. This process would necessarily involve rationalising the current offer.

The Board welcomed the principles of co-creation with students and employers and also the ambition to enable diversity across the student body. Reference to the Industrial Strategy was also supported.

In further discussion, the value of partnerships with external organisations and opportunities for flexibility in the curriculum, particularly where they enabled business skills to be integrated into

study, were noted. Members emphasised the importance of making market research explicit in the early stages of programme development and advised that, in decision-making, there should be consideration of the short and long-term viability of the University.

The proposals in paper G1027 were endorsed.

10.2 Quality Assurance Statement (Paper G1028)

The Board considered the annual quality assurance statement and acknowledged that continuous improvements to the student experience were implicit in the processes set out within the paper. It was suggested in discussion that, given the concerns expressed across the sector relating to grade inflation, the sections relating to external examiner oversight and assessment could be more detailed so as to provide more robust reassurance to Governors on the management of academic standards in awards.

It was agreed that, as the requirements of the Office for Students became clearer, the format of this paper should be adjusted in the future to support clarity and understanding of the Board. Professor Martin would advise on an appropriate format as necessary. Further, a sub-group of the Board could consider the substance of this paper in future and advise the main Board. Mr Mansfield indicated his willingness in joining Professor Martin on such a sub-group. The University Secretary was asked to consider the best way for the Board to consider technical issues of this sort in future boards.

[ACTION: PROFESSOR MARTIN/MR MANSFIELD/SECRETARY]

The Deputy Vice-Chancellor suggested that the Board could also benefit from a session around the academic quality and standards landscape, delivered by the University's Head of Academic Governance and Quality, to support them in meeting the requirements of their role.

Paper G1028 was noted for the purposes of the Annual Assurance Return to the Office for Students.

[Mr Mansfield left the meeting]

18/11 POLICY ON ESTABLISHING UNIVERSITY POLICIES AND PROCEDURES (Paper G1029)

The University Secretary presented the proposed policy, referencing the work already underway with the Audit Committee regarding management of policies at the institution. It was welcomed by the Board, and Governors acknowledged their responsibility in this area and the particular importance in managing clarity around statutory policies and other internal policies that governed how the University chose to work.

Paper G1029 and the Policy on Establishing University Policies and Procedures were approved.

[Ms Stone joined the meeting]

18/12 ANNUAL REPORT OF THE REMUNERATION COMMITTEE (Paper G1030)

Mr Pester, as Chair of the Remuneration Committee, presented the annual report with the support of the University's Director of Human Resources. The Board noted that the report presented a summary of the year's work and that some sections were more detailed than had previously been the case owing to the publication of the Committee of University Chairs (CUC) Remuneration Code in June 2018.

The Director of HR cautioned that the CUC Code and the Office for Students both asked for pay ratios to be published but used different methods of calculation leading to different outcomes.

Thus, media confusion was anticipated when pay ratios were published and there was already a communications plan in progress to manage this.

In response to a query regarding performance-related pay, it was agreed that an agenda item on this for the Remuneration Committee would enable discussion prior to a paper progressing to the full Board.

[ACTION: SECRETARY/CHAIR OF REMUNERATION COMMITTEE]

It was noted that there was some ambiguity in the phrase "may not" in paragraph 2.5 of the sub-committee's Terms of Reference regarding the Vice-Chancellor's position in relation to the membership. It was agreed that this would be amended to "shall not".

[ACTION: SECRETARY]

Paper G1030 was noted and the revised Terms of Reference were approved subject to the amendment noted.

*[Ms Stone left the meeting]
[Mr Ellicott joined the meeting]*

18/13 PREVENT DUTY – ANNUAL REPORT (Paper G1031)

The Chair reminded the Board of the legal responsibilities under Section 26 of the Counter-Terrorism and Security Act 2015. The Board noted that the University was continuing to work conscientiously to run training and raise awareness of the Prevent Duty and that there were no incidents to report under Events and Speakers.

Following discussion, the Board commented on the number of welfare cases being reported and received assurance that these were not untypical, in-line with the sector, and were primarily related to mental health. This was an issue of growing importance which the University was addressing seriously. The Board noted that this was informing University strategy and approaches. It was agreed that this could helpfully form the basis of the next strategic prompt paper to the Board. A suggestion was also welcomed that this should include a piece from the President of the Students' Union reflecting on the experience of being a student at the present time.

[ACTION: SECRETARY/VICE-CHANCELLOR/SU PRESIDENT]

Ms Fisk noted that there had recently been an internal audit on Student Wellbeing. This would be circulated to the Chair and any other members who expressed an interest.

[ACTION: SECRETARY]

Paper G1031 was noted and the Board agreed to give the Chair authority to sign the annual accountability statement.

18/14 AWARDS OF HONORARY DEGREES AND TITLES (Paper G1032)

Mr Ellicott referenced the formal procedure for the award of honorary degrees and titles and reminded the Board that, whilst honorary titles were in the gift of the Academic Board, the Board of Governors had the right to refer candidates back if it had concerns. There was now an independent governor (Rosemary Heald) on the committee that considered honorary degrees and titles, and this was much valued. Whilst the Board had no concerns regarding any proposed recipient on the list for an honorary degree or title, the importance of achieving a gender balance across honorands was noted.

It was proposed that a discussion around the place of honorands in the University would be a useful item for a future Board meeting.

[ACTION: SECRETARY]

[Mr Ellicott left the meeting]

18/15 ITEMS FOR INFORMATION

The following minutes were received for information:

- Audit Committee 13th June 2018
- Academic Board 13th July 2018

The Chair noted that both these sets of minutes related to meetings four months in the past, and wondered if there was a better way of keeping the Board informed about committee work. The University Secretary was asked to consider whether draft minutes, once approved by the committee's chair, could be circulated or otherwise be made available much more quickly outside Board meetings,

18/16 ANY OTHER BUSINESS

To support efficiency of proceedings in meetings, it was requested that there be single numbering throughout the combined papers and that the starting page number for each item be included on the agenda.

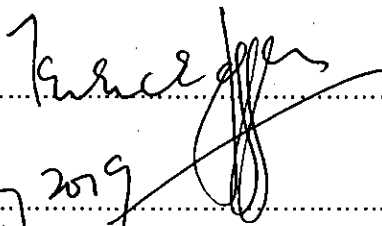
[ACTION: SECRETARY]

Mr Francis and Mr Pester were again thanked for their service to the Board over the period of their appointments.

There being no further business, the meeting closed at 3.30pm

David Newman
Secretary to the Board of Governors
November 2018

Signed as a record of confirmed minutes by:

Mr Terence Jagger 

Chair

Date 7 February 2019