



## **BOARD OF GOVERNORS**

### **Minutes of Meeting held 1 April 2020 at 10:00am by teleconference**

#### Present:

|                     |                                |
|---------------------|--------------------------------|
| Mr T Jagger (Chair) | Prof P Martin                  |
| Ms E Casey          | Dr S McMillan                  |
| Mr R Clarke         | Ms V Nawathe                   |
| Ms T Fisk           | Prof S Rigby (Vice-Chancellor) |
| Mr J Glasspool      | Ms J Saunders                  |
| Ms R Heald          | Dr C Wiffen                    |
| Ms S Lane           |                                |

#### In attendance:

Mr D Newman (University Secretary)  
Mr Paul Fox (Pro Vice-Chancellor Finance and Infrastructure)  
Ms R di Corpo (Governance Manager)  
Mr M Webb (Deputy Director of Finance) [for items 9, 10 & 11]  
Mr R Jordan (Director of Estates and Services) [for item 12]

#### Apologies:

Ms J Nesbitt-Larking (Students' Union President)  
Mr S Lockren

#### **19/46 WELCOME AND APOLOGIES**

The chair welcomed all present to the meeting, noting the apologies. All governors remarked on the enormous effort, swift action and excellent work of the senior leadership team in response to the coronavirus pandemic. Ms Casey was congratulated for becoming the students' union president elect; the chair, vice-chancellor and university secretary will look to recruit a replacement student governor in due course.

#### **19/47 MINUTES OF THE MEETING HELD ON 13 FEBRUARY 2020**

The draft minutes were agreed as a true and accurate record.

#### **19/48 MATTERS ARISING**

With reference to the schedule of actions arising from the previous meeting the secretary informed the board that actions had been resolved or formed part of the meeting's agenda.

#### **19/49 CHAIR'S BUSINESS**

The board away day held in March was considered a successful event. The governance training was well received and it was confirmed the presentation and training slides had been circulated to all governors after the event. The chair also met informally with independent governors, and staff and student governors. A number of practical suggestions for board activities were made, and the board's workload discussed, which the chair, VC and secretary will continue to monitor.

The recruitment of new governors continues with interviews to take place in late April. The board will be informed of any recommendations for appointment, as required.

The chair and the VC agreed to changes to the agenda which had originally been planned for the meeting in light of the current pandemic. The item on student wellbeing was removed but the slide-deck, as presented to the audit committee's February meeting, was circulated to governors for information, and the item concerning Bath Spa's international strategy will be presented by the PVC Research and Enterprise at a future board meeting.

#### **19/50 UNIVERSITY ORDINANCES (Paper G1090)**

The University Secretary provided an introduction to the Ordinances and explained that they are intended to comply in all respects with the legal and regulatory obligations applicable to the university, as well as serve to strengthen Bath Spa's demonstration of its commitment to the practice of good governance. Drawing upon sector good practice, these Ordinances contain governance rules and procedures that supplement the university's Instrument and Articles of Government. Governors were thanked for their comments, which contributed to this final draft. The Board approved the immediate adoption of the Ordinances, as presented at Appendix 1 of Paper G1090.

#### **19/51 VICE-CHANCELLOR'S REPORT (Paper G1091)**

The Vice-Chancellor presented her report to the board.

#### **External Environment**

The response of the UK Government to the COVID-19 pandemic has framed most of Bath Spa's business since early March and forms the basis for a separate paper to the board (refer 19/52).

UCU, the Union that represents academic and professional staff in Universities and Colleges, undertook fourteen days of strike action between late February and mid-March. There were no implications for recruitment activities and the impact on learning and teaching at Bath Spa was low; notwithstanding any real impact for some students. A discretionary goodwill payment scheme was put in place where teaching was unavailable to students.

The Office for Students (OfS) has issued an apology for its past approach to sector regulation and has outlined a new and more personalised approach; the sector is awaiting further developments in this regard. Due to COVID-19 the OfS has paused all consultations including those on sexual violence and on changes to admissions processes.

Since the time of circulating the paper, UCAS has implemented a two-week moratorium on any university making an unconditional offer, which Bath Spa is respecting. 3,2,1 Go! telephone interviews are able to take place and feedback will be given on performance to these students. Other external deadlines have been impacted including the Research Excellence Framework (REF) which has been put back indefinitely with an eight month notice period for universities to reconvene the process. The Teaching Excellence Framework (TEF) is also postponed. The board noted that the VC will be a member of the expert panel devising the new TEF framework, when established.

#### **Core Business**

The VC provided a status report on financial sustainability, the National Student Survey (NSS), retention and recruitment – all of which are, or will be, significantly impacted by the global

pandemic. An increase in intercalation is anticipated, with attempts to mitigate this already in place. The actual status of intercalations will be known in early April. The VC commended her senior leadership team and the academic board for moving toward a wider suite of degree offers, as detailed in paragraph 3.5 (Paper G1091), with the BA Fashion Photography and BSc Wildlife Conservation examples of well-turned new programmes for the 2021 academic year.

### **Strategic Updates**

The VC provided a status report on activities concerned with income diversification, external reach and Bath Spa's international strategy. On the latter, it was agreed that this item will be brought to the board for discussion at a time when the strategy can be considered on a return to 'normal' basis, where a different set of circumstances may present different international opportunities and challenges. A world where international travel is possible, but also less frequent, must form part of the considerations going forward.

[REDACTED] the VC focused on recent developments with UKCBC, the partner which runs franchise degrees for the university in London. [REDACTED]

[REDACTED]

The opportunity currently is to recruit international students through UKCBC in London, and a business proposition is currently being developed by the UKCBC Executive, based on mutual sharing of risk.

The board approved the approach to formally explore further opportunities with UKCBC, subject to all the necessary transparency and due diligence processes, involving stakeholders as required and reporting back to the board. Governors offered their input and expertise as part of this process, where and when appropriate.

[ACTION: VICE-CHANCELLOR AND DEPUTY VICE-CHANCELLOR]

It was noted that new initiatives of the West of England Combined Authority (WECA) will likely cease, including the circa £20m business case for iSTART, a joint initiative with the University of Bath, Bath College and Bath and North East Somerset Council (B&NES) aimed at delivering innovative teaching and inclusive learning in Bath. Preparatory work has nonetheless been beneficial to all of the partners.

The VC thanked governors who were able to attend the Locksbrook Road official opening event and in particular the Chancellor for undertaking the formal role of opening the building. Feedback on the launch was positive and press coverage encouraging. A space review is underway to explore the feasibility of teaching students currently at Sion Hill in Locksbrook at some point in the future.

### **19/52 UNIVERSITY RESPONSE TO COVID-19 (CORONAVIRUS) (Paper G1092)**

The Vice-Chancellor briefed the board on the university's response to COVID-19, providing an analysis of the situation, as at 25 March (Paper G1092). Updates since this time were reported verbally.

Communications between 16 to 24 March were sent to students and staff (including to governors' via their Bath Spa email accounts) daily providing information on the university's major actions as

well as major changes of direction as government instructions changed through the week. An emergency planning group (EPG) chaired by the VC, and including the SU President, has been meeting daily since mid-March to coordinate all activity within the university in response to the pandemic. The agreed preferred approach was to work transparently, with maximum openness in communication with staff and students. The board acknowledged the EPG's promotion of a kind, patient and resilient approach to the outbreak that focussed on staff and student wellbeing but also on core business to enable learning and teaching to continue with minimum interruption or disruption. Occasional outbreaks of anxiety and anger from the community have been observed, however.

The VC briefed governors on the actions taken to date across learning and teaching, student and staff wellbeing, campus and accommodation, large gatherings and recruitment. Staff governors had observed that, overall, staff had moved seamlessly to the new arrangements for online teaching delivery with resourcefulness and a solutions-based attitude. Long-term benefits should arise from the accelerated adoption of digital learning and teaching tools and methods. Staff and students were provided with computers where needed if these were not available to them at home or in their halls of residence; and the university implemented a 'No Detriment Policy' before the end of March, with the desired outcome of reassuring students and employers that awards from Bath Spa have ongoing value. Ms Casey thanked the VC and the senior team for introducing this policy, which incorporates the variability of Bath Spa's course structures.

Students were advised to go home if this was possible and those no longer living in university accommodation were released from their contracts so that they were not liable for the next three months of rent. Accommodation providers Unite followed suit and discussions were ongoing with IQ. A hardship fund has been set up to support students in serious short-term need and the library, wellbeing, careers and academic support are being delivered online. It was suggested that a pulse survey may offer a method of sense-checking the wellbeing of staff and students, perhaps following the Easter period. The university continues to monitor and support remaining students in residence, but the majority of students have been able to leave. A senior member of staff is on campus each day with the usual rota of responsible senior team members in place 24/7. Security staff remain on campus to support and ensure the safety of students and staff.

The VC made clear that recruitment and retention of students for 2020/21 is of concern. It is likely that the international student market will be very weak for at least a year and that universities with a high dependence on international recruitment will seek to enrol more home students in partial compensation for this loss of income. Recruitment activity is ongoing, but compromised by the cancellation of applicant visit days for 2020 entry and first open day for prospective applicants for entry in 2021. Governors supported the VC's objective to bring back to the board planning scenarios for recruitment models, including the implications of declining student numbers, for consideration and discussion regarding the associated risks.

[ACTION: VICE-CHANCELLOR, PVC FINANCE AND INFRASTRUCTURE]

[Secretary's note: following the meeting, a series of short informal teleconferences for the VC and governors were scheduled to take place over the current period at the request of the chair so that governors could be kept apprised of the university's response to the pandemic and provide support to the executive as needed].

Mr Fox briefed governors, by way of presentation slides, on the emerging financial impact of COVID-19, which in the current financial year 2019/20 is uncertain and rapidly evolving. For example, the number of students opting to remain on campus was not yet known, resulting in a best estimate with respect to the loss of rental income, and the numbers assume continuation of virtual operation for the rest of the financial year. It is anticipated that Easter and summer school business and conference activity will be lost.

The board considered the estimated lost income versus additional costs, and the cash balances and projections to end February 2021. Governors were reassured that Bath Spa can continue on a solvent basis for the current academic year, with a degree of resilience leading into the next academic year. The main uncertainty is the retention of existing students, and recruitment for 20/21 entry. The board noted that universities are awaiting detailed guidance and advice regarding the government's furlough scheme and its applicability to the sector. The clearer the information being released by government, the more confident the university can be with its financial planning.

The VC advised that resilience is being designed into Bath Spa's operational and technical systems as much as possible in order to address key risks and, at present, all time-critical processes (e.g. payroll) are working effectively, with a deputy system in place for school and department heads in event of absences. The EPG has started to evaluate and audit the organisation's operations, introducing new issues in a phased and manageable way. It was noted that the Cyber Essentials accreditation, which had been identified as a significant risk on the university's risk register, was successfully achieved by end March, as planned.

The board agreed the focus was to continue the transition into this new way of operating as rapidly and smoothly as possible, and to continue working on key activities against the four scenarios set out by the EPG, from seeing students return in August through to operating as a virtual university until December 2020.

The board also determined that opportunities will present themselves as a result of this unpredictable context and that Bath Spa should be ready to respond swiftly and unconventionally. Governors are open to out of committee discussions should this situation arise.

The board noted the VC's report on the university's response to COVID-19, as presented at Paper G1092. The chair thanked the VC and SU President for their work in this unprecedented situation and commended the strong leadership and clear thinking of the senior team.

19/53

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*[M. Webb joined the meeting]*

**19/54 FINANCE AND INFRASTRUCTURE COMMITTEE CHAIR'S UPDATE**

Ms Fisk, committee chair, summarised the 26 February finance and infrastructure committee meeting. The primary focus was the financial sustainability of the organisation, understanding the variabilities in this, particularly in income diversification with the two alliances [REDACTED] under consideration currently playing well into this agenda. The committee also emphasised that ongoing scenario modelling for student recruitment is critical, especially given the current external environment. On pensions, Ms Fisk reassured the board that the committee was well informed with specific issues being closely monitored and reviewed, as required. It was agreed that Ms Fisk, and Ms Saunders as chair of audit committee, would stay in touch with the full board on a fairly regular basis over this next period given the external and internal environment.

**19/55 BUDGET PREPARATIONS 2020/21 (Paper G1094)**

Mr Fox presented the budget preparations for 2020/2021 to the board highlighting that the substance of the paper (G1094) was as presented to the finance and infrastructure committee at its 26 February meeting. The board will consider the actual budget at its June meeting.

The paper set out a range of scenarios and assumptions and their related financial implications over the period 2020/21 to 2023/24, as context for planning the 2020/21 budget and updating the five-year financial forecast. This included student intake forecasts, the potential position of education alliances, implications for cash flow and where the university would stand relative to covenants. However, the current context of the Covid-19 pandemic creates an unprecedented level of uncertainty regarding recruitment and retention scenarios. Budget planning processes will be maintained as previously indicated, virtually and a budget proposition will be presented to the

board at its June meeting based on the scenarios in the paper. It is likely though, that any budget agreed in June would need to be revisited in the autumn to the extent that the Covid-19 impact on 20/21 recruitment was significantly worse than the assumptions in the budget.

The university's relationship with lenders remains critical. Mr Fox confirmed that meetings had taken place with Lloyds and Santander and that Bath Spa is financially resilient in terms of its processes, financial planning and covenant position. The banks understand the stresses in the sector and indicated that flexibility would be considered, where absolutely necessary, through short-term plans.

The board highlighted the material impact on cashflow from student intake numbers and acknowledged that recruitment strategies will likely demand a more aggressive approach than previously considered. The VC assured governors that online student engagement had been sustained relatively successfully to date and that Bath Spa is working closely with UCAS to enhance its presence wherever possible.

The board considered and discussed the proposed direction of the budget, based on the budget preparations and assumptions presented for 2020/21, ahead of the budget-setting meeting on 24 June. Mr Fox and his team were thanked for the insightful and helpful paper.

#### **19/56 AUDIT COMMITTEE CHAIR'S UPDATE**

Ms Saunders, committee chair, summarised the 26 February audit committee meeting as very constructive. Key agenda items included three assurance reviews and an update on the resolution of old internal review recommendations, thanks to the work of Mr Fox and his team. It was noted that the development of a Statutory Returns Calendar would be monitored by the audit committee, once implemented, and that the comprehensive presentation given on student wellbeing at Bath Spa revealed the breadth and range of services being offered, or planned. The committee also reviewed the performance of internal and external auditors over the past academic year with comments fed back to the respective parties and gratefully received, and the TRAC-T (Transparent Approach to Costing - Teaching) submission had been approved, with the committee assured by the proposed improvements for internal reporting.

*[M Webb left the meeting]*

*[R Jordan joined the meeting]*

#### **19/57 HEALTH AND SAFETY ANNUAL REPORT (Paper G1095)**

Mr Jordan presented the annual Health and Safety Report for the calendar year 2019 to the board, as required. It was reported that the university is a safe organisation with a good record of health, safety and welfare. The issues highlighted in the paper are those deemed most significant, also reflecting the report prepared for the biannual Health and Safety Committee meeting.

The board noted that with respect to fire risk assessments, all high priority recommendations had been implemented and that the estates team is continuing to work on remaining priority actions as determined by the new reviews to be undertaken by an independent chartered surveyor. An in-house security manager has recently been appointed and this additional capacity will enable improved monitoring of health and safety issues across a number of areas.

Mr Jordan advised that in terms of operating as a virtual university, desktop research is being undertaken to better understand any short and long implications for health and safety. The VC informed the board that staff were encouraged to take their office hardware home to work more comfortably and that up to date guidance is published by the human resources department for staff and students' wellbeing. Bath Spa continues to accommodate remote working requirements in as safe and sensible a way as possible and in a way which also addresses the university's information security and data protection obligations.

The board considered and noted the Health and Safety Annual Report (2019).

*[R Jordan left the meeting]*


**19/58 OTHER ITEMS FOR INFORMATION**

The Audit Committee 26 February 2020 draft minutes, and Finance and Infrastructure Committee 26 February 2020 draft minutes, were received for information.

**19/59 ANY OTHER BUSINESS**

The next board meeting will take place on 24 June 2020. The 2020/21 schedule of board and committee meetings is confirmed, and will be circulated by the University Secretary's Office imminently.

The meeting closed at 12:55.

  
Governance Manager  
February 2020

Signed as a record of confirmed minutes by:

Mr Terence Jagger .....  
Chair

Date .....  
7 Sept 2020

