Coventry University

Board of Governors
Thursday, 18 May 2017
4.00pm at Ryton Garden Organic Centre, Wolston Lane, Coventry, CV8 3LG

Minutes

Document GM173

173/1
Present:
Mr S Parker (Chair), Mr K Bissett (Deputy Chair), Mr M Laverty, Mr A Majithia, Mr R Stockdale, Mr T Matthews, Prof J Norton, Ms M Plant, Ms J Hully, Dr V Cox, Mr A Enime, Prof J Latham (Vice-Chancellor), Mr A Adebiyi, Dr B Dhadda, Mr S Rogers, Ms J Cox, Mr G McKean, Mr D Frost, Ms V Mahendra, Mr A Meehan.

In attendance:
Mr M Challoner (Clerk), Mr N Alcock (Deputy Vice-Chancellor, Group Development and Resources), Mrs S Richardson (Group Chief Finance Officer), Mr S Trimm (Assistant Director, Risk Management) (for Minute G173/8)

Apologies:
Dr M Reeves, Mr N Crockett, Ms F Secondino

173/2
Declarations of Interest

Ms Plant declared an interest in Minute G173/7, Multi-Academy Trust. The Board considered the nature of the interest was such that Ms Plant should remain in the meeting during consideration of this item.

Mr Alcock and Ms Richardson left the meeting for Minute G173/13.

173/3
Items from the Chair

1. The Chair welcomed Ms V Mahendra and Mr D Frost to their first Board of Governors meeting.

2. The Chair reported the results from the Guardian University Guide in which the University rose three places to be ranked 12th. The Chair, on behalf of the Board, thanked the senior leadership team and all the University's staff for all the work to achieve this great result.
173/4
Confirmation of Minutes and Matters Arising

The Minutes of the following meetings were approved and signed as a correct record:

15 February 2017 (Document GM169)
27 February 2017 (Document GM170)
27 March 2017 (Document GM171)
5 May 2017 (Document GM172)

173/5
Corporate Strategy 2021 – Q2 Performance Report

.1
Consideration was given to the Corporate Strategy 2021 – Q2 Performance Report presented by the Vice-Chancellor (Document G173/1).

.2
The Vice-Chancellor reported that he expected that the overall student number target would be achieved for 2016/17. However, the online student numbers target would not be achieved although considerable work had been undertaken to develop the University’s online strategy. The Strategy and Resources Committee had been updated on the online strategy and this would be considered further by the Investment Committee and Academic Affairs Committee in June 2017 and then brought to the Board of Governors in July 2017 for final decision. Additionally the Strategy and Resources Committee had received proposals for the development of a European Academic Campus which would also be considered further by the Investment Committee before presentation to the Board of Governors in the next academic year.

.3
The Vice-Chancellor reported that whilst progress against the research targets remained behind plan, there was increased confidence in the activities in place to improve the University’s research standing by the end of the corporate plan period. In particular there was expected to be a marked improvement in the number of PHD completions target over the coming years, and research income was expected to improve over the remaining quarters of the current academic year.

.4
Resolved that the Deputy Vice-Chancellor (Research) be invited to provide an update to the Board of Governors in respect of performance against the research strategy during the next academic year.

173/6
Financial Update, including Update on the Funding of the Capital Programme and P9 Group Management Accounts

.1
Consideration was given to the Funding of the Capital Programme Report presented by the Group Chief Finance Officer (Documents G173/2 and 2a).
The Group Chief Finance Officer reported that the Strategy and Resources Committee had considered the proposals contained in the report, endorsed the assumptions and approved the prioritisation of the capital programme. Accordingly it was reported that work was now underway to categorise and prioritise projects to deliver the Corporate Strategy 2021, within the overall investment envelope for the planned period in the Corporate Strategy. A prioritised plan would be presented to the Strategy and Resources Committee for its consideration and agreement.

The Group Chief Finance Officer updated the Board on the Strategy and Resources Committee’s approval of an investment strategy which ensured that funds were invested predominantly in cash, near cash and fixed interest investments, recognising the spend profile of capital investment over the planned period and the retention of three months operating costs.

Consideration was given to the P9 Group Management Accounts presented by the Group Chief Finance Officer (Document G173/2b).

The Group Chief Finance Officer reported that Group income was expected to be in line with the agreed budget, but behind the Corporate Strategy target. The Group surplus target was expected to be achieved thereby demonstrating another year of strong financial performance against the overall sector.

The Board noted that work would be focused on the performance of the commercial subsidiaries in delivering improved performance.

173/7
Multi-Academy Trust (MAT)

Consideration was given to the Better Futures Multi-Academy Trust report (Document G173/3 and 3a) introduced by the Vice-Chancellor.

The Clerk reported that at the previous Board of Governors meeting, further assurances had been sought in respect of the relationship between the University and the MAT and potential liabilities for the University and in particular the Governing Body. The report provided the Board with the legal advice which had been received and the overall progress of the project. The Group Chief Finance Officer reported that whilst financial advisers had been appointed to support the project no decision had yet been reached upon the financial and accounting treatment to be applied to the MAT and the Board would be updated on this at its next meeting.

Resolved that:
(A) approval be given for the incorporation of Better Futures Multi-Academy Trust as a company limited by guarantee with the five members and the appointment of Prof J Latham and Mr N Alcock as Directors;

(B) authority be delegated to make all the necessary filings with Companies House to complete the incorporation of the MAT;

(C) authority be delegated to the Group Leadership Team to review the due diligence material in respect of the two sixth form colleges proposed to join the MAT and approve their inclusion, noting that the decision to admit any additional colleges/schools will sit with the Board of the MAT;

(D) the performance of the MAT be reported to the Board of Governors on a regular basis;

(E) a review of the risks to the funding streams for post 16 year students be maintained;

(F) consideration be given to the management of financial discussions at the MAT Board if any potential conflicts of interest arise in respect of University appointed Directors.

173/8

.1 Consideration was given to the Health and Safety Annual Report 2016 presented by the Assistant Director, Risk Management who attended the meeting for this item (Document G173/4).

.2 The Board received assurance from the Assistant Director that the Health and Safety team were advising staff and students on the use of drones and that an appropriate policy had been developed.

.3 It was reported that the engagement of the Health and Safety team in the development of the new HLS building had been very pro-active and the Board requested that its thanks be recorded in this regard.

.4 The Assistant Director reported that there had been some changes to reporting methodology used by HESA which had resulted in a perceived increase in the number of minor fires.

.5 The Board received assurance that the Health and Safety team were engaged in the recent findings from the internal audit report on student housing.

.6 The Board discussed the reporting system for near misses which was a current area of focus for the health and safety team.
Resolved that:

(A) the Assistant Director review the adequacy of the safety monitoring available in the HUB;

(B) a review of the existing reporting processes for near misses be undertaken and an improved reporting system be developed if required to improve near miss reporting.

173/9
Board of Governor and Co-opted Member Nominations 2017/18

Consideration was given to the Board of Governors Vacancies and Renewals 2017/18 report presented by the Clerk to the Board of Governors (Document G173/5).

Resolved that:

(A) the following recommendations received from the Human Resources Committee be approved:

i. Mr S Rogers’ appointment as an Independent member of the Board of Governors and a member of the Investment Committee be renewed for a second term of three academic years expiring on 31 August 2020;

ii. Mr R Stockdale’s appointment as an Independent member of the Board of Governors and a member of the Human Resources Committee and a member of the Remuneration Committee be renewed for a second term of three academic years expiring on 31 August 2020;

iii. Ms J Hully’s appointment as a Co-opted Member of the Board of Governors and as a member of the Academic Affairs Committee and Strategy and Resources Committee be renewed for a second term of three academic years expiring on 31 August 2020;

iv. Ms S Morton’s appointment as a Co-opted Member of the Human Resources Committee and the Remuneration Committee be renewed for a second term of three academic years expiring on 31 August 2020;

v. Mr M Gansser-Potts’ appointment as an External Co-opted Member of the Strategy and Resources Committee for three academic years expiring on 31 August 2018 be approved;

vi. Mr S Calvin’s appointment as an External Co-opted Member of the Academic Affairs Committee for one academic year expiring on 31 August 2018 be approved;

vii. Dr T Scanlon’s appointment as an External Co-opted Member of the Audit and Risk Committee for one academic year expiring on 31 August 2018 be approved;

viii. Mr M Judge’s appointment as an External Co-opted Member of the Human Resources Committee for one academic year expiring on 31 August 2018 be approved.

(B) the following appointments be approved:
i. The appointment of Mr Francis Ahanonu as Student Governor with effect from 1 July 2017 for one year;

ii. The appointment of Mr Ade Adebanjo as Student Governor with effect from 1 July 2017 for one year.

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173/10
Appointment of University Chancellor

.1 Consideration was given to a report regarding the appointment of a new Chancellor presented by the Chair (Document G173/6, 6a – 6d).

.2 The Chair reported that a search committee had been established to lead the search for a new Chancellor and search consultants appointed to ensure that a diverse pool of candidates was identified and considered. The process had sought to identify candidates who met the role specification and who could engage well with the University and its values.

.3 Resolved that Margaret Caseley-Hayford be appointed as the University’s Chancellor with effect from 1 June 2017 for a period of three years.

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173/11
Honorary Life Fellows

.1 Consideration was given to the Honorary Life Fellows Report presented by the Clerk to the Board of Governors (Document G173/17).

.2 The Board noted the significant contributions made to the University by the three individuals proposed for Honorary Life Fellows.

.3 Resolved that Honorary Life Fellows be awarded to:

   (i) Ernest Petrie
   (ii) Mike Beasley
   (iii) Mike Judge

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173/12
Update from Student Governors

.1 Consideration was given to the CUSU Report to the Board of Governors presented by the Student Governors (Document G173/8).
The Board noted the success stories and awards achieved by many students and student societies.

Resolved that a monthly update on student activities be circulated to Board members.

173/13
Annual Report of the Remuneration Committee

The Deputy Vice-Chancellor (Group Development and Resources) and the Group Chief Finance Officer left the meeting for consideration of this item.

Consideration was given to the annual report of the Remuneration Committee presented by the Chair of the Remuneration Committee (Document G173/9).

The Chair of the Remuneration Committee outlined the activities which the Remuneration Committee had authority to determine which included the remuneration for the senior leadership team as well as the process for oversight of subsidiary company managing directors.

173/10
Updates from Committee Chairs

The Co-Chair of the Academic Affairs Committee reported that the recent Committee meeting had focused on research items where the reorganisation of research finance and the research KPIs had been discussed. It was reported that progress was being made which were expected to start to deliver improvements to the research metrics.

The Chair of the Audit and Risk Committee reported that the recent meeting had considered the appointment of new external auditors, BDO, the tender process to be undertaken for the internal audit function, as well as the review of the finance function.

The Chair of the Strategy and Resources Committee reported that the focus of recent meetings had been on the funding of capital projects linked to the Group’s cash flow as well as reviewing specific capital projects and providing approvals where necessary. Consideration had also been given to the Government’s Industrial Strategy and its implications for the University and a car parking strategy for the University. Initial work on the pension liabilities for the Group had also been received.
Summary of the Education Select Committee report: “The impact of exiting the European Union on Higher Education”

.1 Consideration was given to the report summarising the Education Select Committee’s report on “The impact of exiting the European Union on Higher Education” (Document G173/10) which was presented by the Vice-Chancellor.

.2 The Vice-Chancellor reported that consideration was being given to establishing an academic base in Europe to seek to mitigate the risks highlighted in the report.

Offline Items

.1 The following items were considered offline and the Board ratified the recommendations.

.2 Resolved that:
  - the Draft Access Agreement Summary for 2018-19 (Document G173/Offline2, 2a and 2b) be noted and be approved for submission to OFFA noting that further review amendment and resubmission to OFFA could be required.
  - the HEFCE Annual Provider Review 2016-17: Outcomes (Document G173/Offline3) be noted.
  - the Benchmarking Results and Key Financial Measures report (Document G173/Offline4) be noted.
  - the Committee Calendars and Subsidiary Company Calendars 2017/18 and indicative 2018/19 (Documents G173/Offline5a, 5b, 5c and 5d) be noted and approved.
  - the Resignation of Deloitte as External Auditors (Document G173/Offline6) be noted.
  - the Chair’s action to approve the Appointment of Paul Fairburn as a Director to CUSU Services Board be ratified.
  - the Chair’s action to approve the Appointment of Ms S Richardson as the University’s attorney to sign corporate tax returns and other related tax forms for the UK, Europe and international States and also to sign Coventry University’s Indian corporate tax returns and other related tax forms (Documents G173/Offline 7.2) be ratified.

Any Other Business

.1 The resignation from the Board of Governors of Ms Jane Cox was noted, and the Board’s thanks were extended to Ms Cox for her contributions to the University during her period of office. Ms Cox had also served as Governor representative on the CUSU Board.
.2 Resolved that a Governor representative for the CUSU Board be proposed.

G173/13
Schedule of Meetings

The Board noted the schedule of meetings for 2016/17. All meetings start at 1600 hrs:

18 July 2017 (followed by annual dinner) – location Techno Centre.

Matt Challoner
Clerk to the Board of Governors
May 2017