Meeting of the Board of Governors held on 15 May 2019 from 4pm to 6pm in Room ET130 Ellen Terry Building, Coventry University

192/01
Present:
Mr Keith Bissett, Independent Governor & Chair
Mr Andy Meehan, Independent Governor & Deputy Chair
Mr Tochukwu Ajare, Student Governor
Mr Kevin Baughan, Co-opted Governor
Mr Ian Davidson, Independent Governor – appointed from minute 192/04(e) onwards
Mr David Frost, Independent Governor
Dr Sue Horner, Independent Governor
Professor John Latham, Vice-Chancellor
Mr Graham McKean, Independent Governor
Ms Helen Nixseaman, Co-opted Governor
Dr Nick Owen, Co-opted Governor
Ms Marion Plant, Co-opted Governor
Mr Steve Rogers, Independent Governor
Ms Linda Ryan, Co-opted Governor
Mr Nick Sale, Independent Governor
Mr Robert Stockdale, Independent Governor
Mr Edward Stroud, Independent Governor
Mr Fred Wright, Independent Governor

In Attendance:
Mr Nigel Alcock, Deputy Vice-Chancellor (Group Development & Resources) & COO
Mrs Helen Fulford, Deputy Clerk to the Board of Governors and Company Secretary
Mr Greg Langston, Interim Chief Finance Officer
Professor Ian Marshall, Deputy Vice-Chancellor (Strategic Alignment and External Relations)
Ms Gemma Towns, Clerk to the Board of Governors and Company Secretary (minute-taker)

Apologies:
Mr Ade Adebanjo, Student Governor
Dr Furrkh Aslam, Staff Governor (Academic)
Ms Viplavi Mahendra, Co-opted Governor
Mr Martin Reeves, External Member
Ms Fiona Secondino, Staff Governor (Professional Services)

192/02 Welcome, Apologies and Declarations of Interest

The Chair welcomed attendees to the meeting. Apologies had been received from Mr Adebanjo, Dr Aslam, Ms Mahendra, Mr Reeves and Ms Secondino. The Chair welcomed Mr Baughan to his first meeting.

The Chair confirmed a reserved matter had been placed at the end of the agenda Mr Ajare would be asked to retire from the meeting before consideration of this item.

The Chair welcomed Mr Davidson to the meeting and noted his interest in minute 192/04(e). The Chair confirmed that Mr Davidson could remain in the meeting for that discussion.
The members present confirmed they did not have any further interests to declare.

192/03 Confirmation of Briefing Session Items

The Chair confirmed the briefing session had received a presentation on CU Social Enterprise CIC, postgraduate study and league tables. The Board requested their compliments be extended to the Planning Office for the clarity of their presentation on league tables. The Board discussed the growth of the University in recent years and performance in the league tables. The competitive nature of the sector was discussed.

The Board discussed the presentation from CU Social Enterprises CIC. The Board acknowledged the significance of KEF to these activities and noted the need for a joined-up offer between the Enterprise and Innovation Strategy and social enterprise activities.

The Board discussed value for money and whilst these were themes included within the briefing session presentations, the Board requested that future presentations included a slide which articulated how the topic ensured value for money was delivered.

192/04 Minutes of the Previous Meeting

(a) Minutes of the meeting held on 13 February 2019: The minutes of the meeting held on 13 February 2019 were APPROVED as a true record.

(b) Minutes of the decision by circulation on 05 April 2019: The minute of the decision by circulation dated 05 April 2019 was agreed as a true record.

(c) Minutes of the decision by circulation on 15 April 2019: The minute of the decision by circulation dated 15 April 2019 was agreed as a true record subject to the addition of the word “Poland” within the minutes.

(d) Action log: The Board discussed the number of open items on the action log that had been delayed until later meetings. The Chair confirmed that it was the intention that the Board of Governors meeting would remain focused upon the matters requiring approval, with the briefing sessions and deep-dive sessions used to explore matters in greater detail. However, the Board agreed that the items should not continually be rolled back for future delivery dates. The Board requested that an additional column was included in the log identifying the recipient committee. The Board NOTED the action log and received updates on the following open actions:

a. Minute 190/3, Branding update: Professor Latham confirmed that an external consultancy branding review was ongoing and likely to report in the summer. The presentation was scheduled for delivery to the September Briefing Session;

b. Minute 190/04, Delegation Schedule: An early draft had been shared with the Strategy, Finance and Resources Committee on 08 May 2019 and would be returned to Strategy, Finance and Resources Committee in June 2019. This matter remained scheduled for delivery in July 2019;

c. Minute 188/04, E&D update: The presentation was scheduled for delivery at the July Board of Governors meeting. The Board requested the update was presented to the HR Committee in June 2019 (action: GT);
**d. Minute 188/07, reporting by semester:** Mr Langston confirmed this matter was being progressed as a detailed schedule had been comprised to identify reporting requirements against meeting dates. This would be presented to the June 2019 Strategy, Finance and Resources Committee meeting.

**(e) Appointment of Ian Davidson as a Governor and member of Audit and Risk Committee:** The Board approved the appointment of Mr Ian Davidson as an Independent Governor and member of Audit and Risk Committee for three academic years with effect from 15 May 2019 to 31 August 2021. In consequence of Mr Davidson’s appointment to Audit and Risk Committee, the Board approved Mr Davidson’s resignation as an External Member of Strategy, Finance and Resources Committee with immediate effect.

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**192/05 Coventry University Students' Union (CUSU): Student Governors’ Report**

Mr Ajare delivered his report. Mr Ajare confirmed that the schools project in Scarborough had commenced. A Festival of Running had been held in Coventry which had included a significant number of primary school children. The event had been well-received. The CUSU Awards had been held to celebrate the in-year successes. Mr Ajare reported that the Chair of CUSU Trustee Board had retired and a replacement was sought; he asked Governors to promote this vacancy through their networks.

The Board discussed the recent CUSU elections. Mr Ajare confirmed that over 5,000 votes had been cast. Although this had represented a greater number of votes cast, fewer positions had been voted for. The Board discussed the possible reasons for this. Mr Ajare stated that it had been traditionally difficult to engage with the whole student body. However, he confirmed that voter turnout had been greater as a result of the recent restructure of CUSU, which had provided candidates with more autonomy to work on their proposals.

The Board enquired if the University’s Marketing and External Affairs team supported CUSU or assisted with promotions of events. Professor Latham confirmed that as a separate entity, CUSU did not receive marketing support, however, the Marketing and External Affairs team and CUSU informally worked together to ensure news stories were not duplicated.

Mr Ajare confirmed that his and Mr Adebanjo’s term of office would end in June 2019 and therefore this would be his last meeting. Mr Ajare thanked the Board for their support and expressed his enjoyment of being a governor over the last year.

On behalf of the board, the Chair thanked Mr Ajare and Mr Adebanjo for their hard work and commitment over the year and wished them luck in their future endeavours.

The Board RECEIVED the report.

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**192/06 Vice-Chancellor’s Report**

**(a) Value For Money Report**

The Board discussed the definition of value for money. Professor Latham confirmed that the Office for Students were determining a definition. It was acknowledged that the number of different models in the sector, such as post 92 universities, Russell Group and private providers, along with the number of sector groups such as University Alliance, added a layer
of complexity to the definition of value for money. The increasing expectations of students and the diverse offer within the institution, such as widening participation work and the flexible study options provided within CU Group, were discussed. The Board discussed the ongoing Augar Review and identified that any reduction in fees would likely impact upon value for money. The Board discussed this risk and how students viewed the definition of value for money. The Board agreed that a strategy session may be required for this matter; this would be arranged as and when required.

(b) Vice-Chancellor’s Report:

The report was taken as read and duly noted. Professor Latham outlined the key messages from his report. The full impact of Brexit would not be known until later in the year. The sector remained competitive and recruitment was the biggest challenge. The Board discussed the sector and competitor activity. The recent league table results were discussed with specific reference to recruitment. The Board noted that the University had the accolade of being the University of the Year for Student Experience in the UK, which was attractive to potential students.

The Board RECEIVED the report.

192/07 P8 Management Accounts

Mr Langston introduced the P8 Management Accounts. He confirmed that the latest forecast reflected the impact of January intake of students, which reflected growth over the previous year, but not to targeted levels-resulting in a shortfall in income against budget. Savings were offsetting the position as the financial year progressed. The Q2 forecast was being used as the benchmark across the organisation and was being closely monitored. This assumed that the targets for the May intake would be met. Mr Langston stated that the risk associated with underperformance against the May target would be minor as income recognition would result in the impact being felt in the next financial year.

Mr Langston advised that the budget planning process had begun. He confirmed that the process had been changed significantly from previous years. The top-down level review had been completed and the current position had been shared with Strategy, Finance and Resources Committee the previous week. Budget areas were being asked to submit their action plans for their budget areas and these would be progressed through internal committees and reported to the July Board of Governors meeting. It was anticipated by that time, more information about the likely outcomes of the Augar Review and Brexit may be known, so their impact could be more fully considered.

Mr Langston advised that the second appendix to his report, the Group Financial Model, had been included for information to provide insight into the financial information across the group. It was not the intention for this paper to be provided as part of the regular reporting pack. The Board commented upon the usefulness of the document.

Mr Langston confirmed that a meeting would be held with a sub-group of Strategy, Finance and Resources Committee, regarding the budget. The Board requested that a presentation be delivered to the July Board of Governors’ briefing session on the budget.

The Board RECEIVED the P8 Management Accounts.

192/08 Operational Report
The Operational Report was taken as read and the contents duly noted. Mr Alcock outlined the areas of significance. He confirmed that a number of large programmes were due to commence in the second half of the year. These programmes were being reviewed to determine how best to align the programmes due to interdependencies.

Mr Alcock confirmed that appointments had been made to the senior management team in the Estates Department. It had been discovered that the estimates provided by the independent cost manager for the Faculty of Arts and Humanities redevelopment programme had been inaccurate. A further £14m above the current budget allocation would be required should the project be approved. The Board asked how this would link to value for money; Mr Alcock confirmed that the project, if at a higher cost, was still likely to provide value for money. The Board enquired how the RAG rating for the project had been determined. Mr Alcock confirmed the red status had been driven by the financial indicator but confirmed that the fees would be reclaimed from the cost manager. It was confirmed that the project had not yet been approved and therefore money had not been spent.

Mr Alcock advised that there had been a small overspend on £200k on Cutlers Exchange relating to refurbishment. He confirmed these costs could not have been anticipated.

There was no significant update for the Civic Centre project other than demolition of the non-listed parts of the building continued. The application to demolish the listed parts of the building had yet to be determined by the City Council.

The Board RECEIVED the Operational Report.

192/09 Office for Students: Access and Participation Plan

Professor Latham confirmed that the paper outlined the University’s Access and Participation Plan which would be submitted to the Office for Students. The Board reviewed the plan and questioned how alumni featured in the work. Professor Latham outlined the University’s alumni strategy which focused upon alumni providing placements and contributing to employability work, rather than making financial donations.

It was RESOLVED that authority be granted to the Academic Affairs Committee to consider the content of the Access and Participation Plan and if resolved, to recommend the approval of the Access and Participation Plan to the Board of Governors.

It was NOTED that the final approval by the Board was intended to take place by electronic vote in the final week of June 2019.

192/10 Confidential Minute

Confidential Minute.

192/11 Subsidiary Companies

(a) Intra-Group Data Sharing Agreement

Mr Alcock advised the Board of the purpose of the intra-group data sharing agreement and confirmed the agreement would be presented to each of the subsidiary company boards. It was RESOLVED that the intra-group data sharing agreement be entered into.
(b) University’s Purchase of Coventry University Enterprises Limited (“CUE”) shares in The FutureLets Limited and PeoplesFuture Limited

Mr Alcock provided an overview of the proposal and the rationale for the purchase of the shares. The Board asked if there were any consequences arising from moving the shareholdings. Mr Alcock advised that it had always been the intention that the companies would be move to be direct subsidiaries of the University so that CUE could be a distinct commercial entity. The role of FutureLets and PeoplesFuture in supporting student outcomes was discussed. Mr Alcock advised that the management reporting lines would not change and the companies would remain within the Commercial Advisory Committee.

The Board considered their roles as Trustees. The Board was content that the investment would strengthen the arrangements for the group’s structure as it would provide consistency and enable better provision of student facing services. The Board noted this supported the delivery of the corporate plan which furthered the University’s charitable purpose. Noting this had been considered and recommended by Strategy, Finance and Resources Committee, the matter was approved.

It was RESOLVED that the Coventry University Higher Education Corporation purchases Coventry University Enterprise Limited’s sole £1 ordinary shares in The FutureLets Limited and PeoplesFuture Limited by the end of the academic year.

(c) Coventry University Enterprises Limited (CUE) – request to waive interest payments due

Mr Alcock confirmed that the matter had been considered by Strategy, Finance and Resources Committee and had been recommended to the Board. Mr Alcock confirmed that the intra-group loan between the University and CUE had been cancelled and financed by equity instead. The interest on the loan going forwards had therefore stopped but the interest accrued on the loan was outstanding. The Board of CUE had requested the waiving of the accrued interest payments. Mr Alcock confirmed that legal advice had been sought to ascertain if the University could, under charity law, waive the interest payments. This legal advice had confirmed the interest payments could be waived.

The Board considered their roles as Trustees. It was noted by the Board that the original investment had been made to support research and education. Those activities supported the corporate plan, which in turn, furthered the University’s charitable purpose. The Board concluded that this rationale had not materially changed and approved the waiving of the interest payments.

It was RESOLVED that the interest payments accrued by Coventry University Enterprise Limited in respect of the former intra-group agreement be waived.

192/12 Governance Items

(a) Board Effectiveness Plan: The Chair confirmed he would email Governors confirming the outcome of the discussions held in February 2019. The recommendations were broadly that the pre-board briefings and weekly sit-rep emails worked well and would continue. Deep dives sessions would be aligned with meetings of the Strategy, Finance and Resources Committee. Governors would be encouraged to shadow other committees at least once a year. A “buddy system” would be considered linking Governors with members of the Executive team. It was noted an
externally facilitated board effectiveness review would be due in the 19/20 academic year.

(a) **Register of Sealings:** It was RESOLVED that the affixing of the common seal of the Corporation to seal numbers 628-2ORIG to 701-2ORIG be APPROVED.

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### 192/13 Committee and Board Reports

The reports for each of the Committees and Boards were taken as read, with the exception of (k) the meeting of Strategy, Finance and Resources Committee.

(a) **Strategy, Finance and Resources Committee meeting held on 20 February 2019:** The Board received the report.

(b) **CU Social Enterprise CIC meeting held on 05 March 2019:** The Board received the report.

(c) **Remuneration Committee meeting held on 13 March 2019:** The Board received the report.

(d) **Coventry University Online Limited meeting held on 19 March 2019:** The Board received the report.

(e) **Academic Board meeting held on 20 March 2019:** The Board received the report.

(f) **Governance and Nominations Committee meeting held on 27 March 2019:** The Board received the report.

(g) **Academic Affairs Committee meeting held on 03 April 2019:** The Board received the report.

(h) **Strategy, Finance and Resources Committee meeting held on 03 April 2019:** The Board received the report.

(i) **Education Advisory Committee meeting (including Coventry University London Campus Limited and Coventry University College Limited board meetings):** The Board received the report.

(j) **Commercial Advisory Committee meeting (including Coventry University Enterprises Limited, PeoplesFuture Limited, The FutureLets Limited and CU Services Limited board meetings):** The Board received the report.

(k) **Strategy, Finance and Resources Committee meeting held on 08 May 2019:** The Chair provided an update as the meeting had been held a week earlier. The Committee had considered and recommended to the Board the purchase of CUE’s shares and the waiving of the interest payments to CUE. The Committee had received the revised Corporate Plan metrics, a strategic project report and the P8 management accounts. An update on progress of budget planning was provided and the Committee received an update on the delegations schedule. The Committee approved the Group Corporate Structure Policy and the Group Strategy and Change Policy.
192/14 Any Other Business

There were no further items of any business.

192/15 Reserved Item

See confidential minute.

Meeting concluded at 6pm.

Next meeting: 16 July 2019, The Place, Westwood Heath Road, Coventry, CV4 8GP
- Board of Governors meeting: 4pm – 6pm
- Annual dinner: 6pm onwards