

UNIVERSITY BOARD

MINUTES OF THE MEETING HELD ON FRIDAY, 27 JANUARY 2012

- Present: Mrs S Sutherland (Chair).
Mr J Andrews (Executive Director of Organisational Development); Mr C Appleton; Prof M Bennett (Pro Vice Chancellor, Research, Enterprise & Internationalisation); Prof R Conder; Mr J Francis; Mr J Granger; Prof C Hallett; Mr D Hines; Mr T Horner (Students' Union at Bournemouth University, President); Mr T Lee (Deputy Chair); Ms M Mayer; Prof T McIntyre-Bhatty (Deputy Vice Chancellor Student Experience, Education & Professional Practice); Dr P Rawlinson; Prof E Rosser; Mr D Reeve (Interim Director of Finance); Mr R Spragg; Prof J Vinney (Vice Chancellor); Mr D Willey (Deputy Vice Chancellor).
- In Attendance: Mr N Richardson (Clerk to the University Board);
Mr G Rayment (Committee Clerk).
- Ms C Cherry (Policy Advisor to the Vice-Chancellor);
Ms C Munro and Ms D Wakely (Legal Services, Items 5.1, 5.2, and 5.4).
- Apologies: Dr P Barnwell; Ms M Barron; Mr I Carter; Mrs J Dawson; Mr D McQueen.

The Chair welcomed Prof R Conder, Mr J Granger and Prof E Rosser to their first meeting of the Board.

Declarations of Interest

Mr Willey and Prof McIntyre-Bhatty informed the Board that they were Directors of the University's subsidiary companies, BU Ltd and BU Innovations Ltd. Mr Willey was also a Director of SEEL and SCILS and informed members that his daughter was currently applying to study at Bournemouth University.

1 MINUTES OF THE PREVIOUS MEETING (4 November 2011)

The Minutes were approved as an accurate record.

1.1 Matters Arising**1.1.1 The Business School (Minute 2.1.9)**

The EDoOD informed members that the first round of recruitment for academic staff had been completed and work had begun on the second round. A School conference had taken place the previous week and, whilst some challenges remained, it was felt that the position for the School moving forward was now more positive. The Leadership structure was also now in place, with appointments made to all but two of the roles

1.1.2 Upcoming Events (Minute 3.3.4)

The Chair reported that it had now been agreed that, from the summer term, a list of forthcoming events would be circulated to Board members each term, with reminders and updates included in the VC's monthly message to Members.

1.1.3 Clerk to the Board Role (Minute 4.5)

The Chair explained that this item would be deferred until the next meeting of the Board.

- 1.1.4 Industrial Action (Minute 6.2)
The EDoOD had circulated updates on Industrial Action to members as requested and kept them abreast of developments. Approximately 60 staff had taken industrial action and the impact on the University had been minimal. Disputes continued in respect of proposed changes to pension arrangements (with both UCU and UNISON) and national negotiations/discussions were ongoing.
- 1.1.5 Other matters arising were dealt with under the main agenda items below.

2 BU 2018 STRATEGIC PLAN

- 2.1 The Chair asked that, in light of previous extensive discussions on the University's Strategic Plan itself, Board members focus their discussion on the proposed financial plan and KPIs. The VC presented the paper and briefly recapped the planning process to date. The University's Vision and Values had been approved by the Board in 2011 following extensive consultation with both staff and students. The rapidly changing environment and changes in Government policy had led to increased dynamism in the higher education (HE) sector, with a particular focus on increased competition, changes to the way in which student numbers were controlled and allocated and new funding arrangements. The University's response had centred on the development of the 'Fusion' concept (bringing together Education, Research and Professional Practice) supported by a £3million (per annum) Fusion fund. Investment would be focussed on maintaining a strong academic core (building on areas of academic strength), maintaining current student numbers and measures to improve student experience – notably through the Estates and IT strategies and investment in the Graduate School. Investment would also be made in additional academic staff (to improve staff:student ratios), whilst staffing in Professional Services would be reduced by 10%. Going forward, delivery plans would be produced at School and Professional Service level to support strategic implementation of the overall plan.
- 2.2 The IDoF presented the financial modelling which accompanied the Strategic Plan (Annex A of the paper). [confidential].
- 2.3 Members' attention was drawn to the financial ratios (page 67) and it was noted that the Current Ratio, Total Reserves and Annual Contribution figures had been translated into KPIs for future monitoring purposes.
- 2.4 Members noted that the current ratio was forecast to fall to zero in 2014/15 and the IDoF explained that in reality this would be closely monitored and it was anticipated that funds would be reallocated from capital expenditure budgets if cash reserves fell below the minimum threshold. It was also agreed, on the advice of members, that the Gearing ratio would also be translated into a KPI.

ACTION 1:

The Gearing Ratio to be included as a KPI.

ACTION BY: DVC(DW)/IDoF

- 2.5 The Board noted that the University currently had access to a bank loan facility at very favourable rates. Given that this loan facility was due to expire in January 2013, and it was unlikely that such a preferential rate would be available in the near future, the IDoF explained that these funds were now being drawn down and placed on deposit in order to generate additional income. It was as a result of this that the gearing ratio was shown as increasing until 2013/14 before falling again in subsequent years.
- 2.6 Members discussed the possible impact on pension costs associated with the planned

changes to the ratio of academic staff to professional and support staff. The IDoF explained that prudent assumptions had been made regarding forecast pension costs, based on 100% of staff belonging to the relevant pension schemes. In fact, only 88% of staff belonged to these schemes. This provided a 'buffer' which meant that the staffing changes would have a minimal impact on the financial forecasts. The IDoF also confirmed that it was not known whether it would prove necessary to make any additional contributions in respect of FRS17.

- 2.7 The EDoOD confirmed that a detailed workforce plan was being prepared and would be presented to the next meeting of the Finance & Resources Committee. It was estimated that an additional 70 to 80 academic staff would be required in order to improve staff:student ratios and support the Research Excellence Framework (REF). In terms of Professional Services Staff, turnover was currently 15% per annum. It was hoped, therefore, that the necessary 10% savings could be made without the need for a large scale severance programme.
- 2.8 Turning to the proposed KPIs, the VC highlighted the set of 12 draft KPIs contained in the paper (Annex B, p.75), which were designed to measure the key elements of the strategic plan. It was envisioned that these would be supported by a further set of 20 or 30 Pls for monitoring purposes. He also highlighted KPI no.1 which was designed to measure 'academic strength'. This % figure would be a composite derived from 16 different indicators designed to measure the 3 key Fusion elements. Members suggested that it would be helpful if benchmarking data could be obtained to compare the academic strength of other institutions within the University's main competitor group. The VC pointed out that it may be difficult to obtain directly comparable data for some of these elements, but agreed that further consideration would be given to providing more benchmarking information. The DVC (TMB) provided some examples of benchmarking data which had been considered in drawing up the strategic plan. Members also suggested that the order of the KPIs might be reconsidered, with the measure of student satisfaction being placed at the top of the list to reflect its importance. Members also welcomed KPI no.2 on international students, but suggested that it was equally important that Postgraduate students be taken into account. Finally it was noted that the proposed KPIs were all retrospective and members suggested that it would be valuable to also have some lead indicators (for example, on recruitment).
- 2.9 In summing up, the Board commended the work undertaken and approved the strategic plan subject to further consideration of the members' comments on the KPIs and the outcomes from the next round of consultation with staff and students. If this consultation resulted in any material changes it was agreed that the plan would be re-presented to the Board for further consideration.

ACTION 1:

Draft Strategic Plan (including financial plan and KPIs) approved subject to members' comments (above) and further staff/student consultation. Any material changes to be brought back to the Board.

ACTION BY: VC

3 ONGOING STRATEGIC PLAN IMPLEMENTATION

3.1 Estates Strategy 2010-2019: Implementation Issues

The DVC(DW) presented this paper which set out the context for specific proposals (below). The Estates Strategy 2010-19, previously approved by the Board, was being replaced by an emerging Estates Plan which would support the new Strategic Plan. He assured the Board that proposals would be carried forward from the original strategy to the new plan and that continuity would be maintained.

3.1.1 Site Acquisition in Lansdowne

3.1.1.1 The need for a new Lansdowne Exchange building had been identified in the Estates Strategy as a priority and this proposal was concerned with acquiring a site for this development. Proposals for the development itself would be presented to the Board in due course. [confidential].

3.1.1.2 [confidential]

3.1.1.3 Members expressed concerns that public sector institutions (including Universities) were sometimes exploited in property negotiations and struggled to achieve the same value for money as their private sector equivalents. It was also noted that different valuations for the site had been provided, with the maximum value being estimated at [confidential]. Members also expressed concern at the potential conflicts arising from the University's retained agent also acting for the vendor. It was suggested that, in future, the University might retain two different agents so that such conflicts could be readily avoided and that a third party might be employed to act on behalf of the University and help ensure that negotiations were sufficiently robust and achieved value for money.

3.1.1.4 The Board were asked to approve a budget in the range of [confidential] subject to contract, in order to acquire the site. [confidential]. If an offer is accepted, Members also authorised the Board Chair to give final approval on behalf of the Board.

ACTION 1:

[confidential]

ACTION BY: DVC(DW)

ACTION 2:

Board Chair authorised to take action to approve the purchase of [confidential]

ACTION BY: Chair

3.1.2 Dorchester House (update)

3.1.2.1 The DVC(DW) informed the Board that, following on from previous discussions, negotiations had now been completed on the acquisition of a lease on Dorchester House in order to provide student accommodation during the refurbishment of Cranborne House. The building would provide 540 beds and the lease was for 7 years, with break points after 3 years and each subsequent year. The lease would be presented to the Chair in due course for approval on behalf of the Board. Members authorised the Chair to take this action on behalf of the Board.

ACTION:

Chair authorised to sign the lease on Dorchester House.

ACTION BY: Chair

3.1.3 Poole House Courtyard

3.1.3.1 The DVC(DW) presented this proposal for a range of improvements to the Poole House Courtyard area to a value of [confidential]. The proposals provided a range of benefits including improved student satisfaction (for example through better all-weather protection) and improved disabled access. The proposals had been scrutinised, and recommended by the Finance & Resources Committee. The Board approved the development of the Poole House Courtyard as set out in the paper.

3.1.4 Review of Carbon Management Plan

3.1.4.1 The DVC(DW) introduced this paper which presented a revised and updated Carbon Management Plan for the Board's approval. The Plan included challenging targets to reduce carbon emissions and had been produced in response to the growing sector (and HEFCE) commitment to sustainability. Further information was needed in order to ascertain the extent to which the targets would be achievable and it was expected that this picture would become clearer over the next 12 months. Financial penalties were payable for every ton of carbon emitted, currently equating to approximately £100,000 per annum. The Board recognised the difficulties in setting the targets, and agreed to approve the Carbon Management Plan.

3.2 **Report of the Enterprise & Commercialisation Task Group**

3.2.1 The Deputy Chair presented this report (on behalf of Dr Barnwell). He explained that the Task Group had discussed in detail the new emerging strategy for enterprise being developed by the PVC(REI) and concluded that it was pragmatic and effective. Key to the new strategy was a change of mindset away from enterprise as a source of income generation and towards seeing it more widely in the context of 'knowledge exchange' – a core element of the student experience and research agendas. Good practice 'business as usual' (such as CPD) would continue and be driven by Schools. HEIF funding had been awarded to develop 5 specific themes – visual film effects; a science hub; a national tourism academy; prosthetics development; and the Centre for Entrepreneurship. Each would be led by an academic together with a business engagement consultant. In addition a Business Engagement Leader would be recruited to build partnerships at a senior level (and work closely with the BU Foundation). Another key development was the introduction of a new model for Intellectual Property (IP). In the past the generation of income through student and staff IP had not proved successful. Instead it was proposed that the University move towards the open access IP model encouraged by the Government and already being implemented through a scheme involving other universities. Options to reserve the rights to establish joint exploitation arrangements would still be retained (for instances where IP had the potential to be a significant asset to the University).

3.2.2 Members briefly discussed how the success of the new arrangements might be measured (for example through levels of engagement, CPD) and suggested that it would be helpful to link any PIs back to the strategic aims. The Chair thanked the members of the Enterprise & Commercialisation Task Group and invited any members with possible contacts for commercialisation activity to discuss them with the PVC(REI).

ACTION:

ECTG to meet once more in June 2012 to review progress with the implementation of the recommendations contained in its report. Findings to be reported to the July Board meeting.

ACTION BY: ECTG members

4 **STANDING REPORTS**

4.1 **VC's Report**

4.1.1 BU Update

The VC presented his regular update report to the Board for information. He informed

members that the University had submitted 10 case studies to the consultation on the Innovation and Research Strategy which was being led by Prof Tim Wilson. This was expected to report in February. The University had also responded to the UCAS Admissions Process Review and took the view that it agreed with the proposed short term benefits of streamlining the process by 2014, but remained to be convinced by the benefits in the longer term and whether these sufficiently addressed the problems of the rush for places during clearing and the impact on applicants. He also highlighted the award of the Queen's Anniversary Prize (in respect of computer animation) and plans to celebrate the University's successes (possibly involving the Board in a staff celebration event in November).

4.1.2 Student applications for 2012/13 were still down on the previous year (and more so than the University's direct competitors). The position was still in a state of constant change, however, and it would be later in the Spring before the final picture was certain. The VC also explained how programmes made adjustments for increases in demand and responded to the market. The Chair stated that the Board recognised the difficulties caused by the changing environment and took assurance from the fact that the financial plan took account of the potential risks and uncertainties.

4.1.2 National Student Survey (NSS) Results

4.1.2.1 The DVC(TMB) presented this paper for information. The paper was a slightly updated version of the report which had been presented to the Finance & Resources Committee and clearly set out the University's detailed response to the previous fall in NSS scores. This response focussed on the 100 day plan, the implementation of which continued to be monitored closely through ongoing discussions with Deans and Directors of Professional Services. Work had been undertaken to collect mid-term feedback from students and the results were positive suggesting that improvements were beginning to take effect. The DVC(TMB) thanked SUBU for their support in taking this work forward.

4.2 **Students' Union Bournemouth University (SUBU)**

3.2.1 SUBU Update

The SUBU President presented his regular update report to the Board for information. A focus on campaigns had continued, with the 'one world' week proving very successful. Work was continuing with the police and local community groups to address anti-social behaviour. A meeting was also scheduled to take place with Connor Burns MP, following a meeting of the Winton Residents' Association at which student behaviour had been discussed. The SUBU President had been prohibited from attending this meeting, although he was subsequently asked to comment on it by the local press. SUBU was working with the University on developing a new model for the freshers arrival period. The improvements which had been made to Bournemouth House facilities had been welcomed by students. A survey had been undertaken (through the students' union shop) seeking views on hidden course costs, and the results were currently being analysed. A further survey seeking students' views on whether their expectations had been met during the first term showed that 61% responded positively, with 18% unsure and 21% responding 'no'. Finally he informed the Board that preparations were underway for the forthcoming student elections and that SUBU would be presenting at the next Board dinner. Any members who had particular topics they would like the presentation to address were invited to contact the SUBU President.

4.3 **Chair's Reports**

4.3.1 Chair's Action and Use of the University Seal
Members noted this report.

4.3.2 Membership
Members noted the appointment of three new Independent Board members.

Prof Rosser withdrew from the meeting while the Board formerly approved her

appointment as Senate representative to the Board (following election by the Senate membership).

Dr Rawlinson and Mr Francis withdrew from the meeting while the Board approved the extension of their appointments by a second term of three years.

- 4.3.3 Any Other Matters
There were no other matters to report.

5 OPERATIONAL REPORTS AND PROJECT UPDATES

5.1 Related Companies Project: Update

[confidential]

5.2 Subsidiary Authorisation Form: BU Enterprise

- 5.2.1 The EDoOD presented this paper which sought to establish a new subsidiary company, 'BU Enterprise', to provide a governance structure for the Centre for Entrepreneurship. The proposals closely followed the University's Policy and Procedures for Related Companies and had been subject to scrutiny by both the Finance & Resources and Audit, Risk & Governance (ARG) Committees. The Chair of ARG explained that the Committee was satisfied with the governance arrangements but had voiced concerns over the viability of some of the proposed income streams set out in the business case. Nevertheless, they were content to recommend the proposals to the Board. The EDoOD agreed to report back to the June meeting of the ARG with a progress update. The ARG Chair also commented that the process for his Committee considering the paper (initially through lengthy e-mail exchanges, before it was decided to hold an extraordinary meeting to discuss this issue) had not been entirely satisfactory and consideration should be given to how these 'out of committee' decisions might be better managed in future.

ACTION:

To report to the June meeting of the ARG on progress following the establishment of 'BU Enterprise'.

ACTION BY: EDoOD

- 5.2.2 The Board approved the establishment of BU Enterprise and delegated authority to the relevant members to sign-off the necessary documentation in accordance with the established procedures.

5.3 Revised Treasury Management Policy

- 5.3.1 The IDoF presented this paper seeking the Board's approval of a reviewed and revised Treasury Management Policy. Proposed changes included good practice improvements, definitions of the counterparties that deposits could be made with and provision to appoint external fund managers if appropriate. It also capped the maximum that could be deposited with any one institution. The draft policy had been reviewed by the Finance & Resources Committee and was recommended for approval (having incorporated their suggested amendments). The Board approved the policy and Messrs Francis, Appleton and Spragg agreed to act as the nominated Independent Board members authorised to approve investments at certain levels (in accordance with Schedule B of the policy). It was noted that the third paragraph of item 3 of the policy should be amended to read "...nominated Independent Board Members..."

5.4 Transfer of Assets from the BU Foundation to BU

- 5.4.1 The EDoD presented this paper and sought the Board's approval of its recommendations. At its previous meeting the Board had received the report on the review of the BU Foundation carried out by consultants 'More Partnership'. This review had also considered the governance arrangements for the Foundation and it was subsequently recommended that it should merge with the University and that work be undertaken to manage and protect its assets. The BU Foundation Board would continue to exist, but the Foundation would no longer be a subsidiary company. Agreement in principle was sought for the merger subject to the establishment of governance procedures to safeguard any funds transferred to BU. The Board approved the recommendations in principle and agreed that further proposals on the governance arrangements be submitted to the Audit, Risk & Governance Committee for consideration.

ACTION:

To report to the ARG on governance arrangements for the merger of the BU Foundation with the University.

ACTION BY: DVC (DW)/EDoOD

5.5 Report from the Change Management Board

The DVC (DW) presented this routine report for information. Two specific proposals were presented to the Board for approval (below)

5.5.1 Digital BU Re-Charter

- 5.5.1.1 This proposal was designed to replace the University's content management system and support the creation of a new website with a new structure designed to fit with the University's Vision and Values. The existing system was old and in need of replacement. The proposed re-scoped project cost was [confidential], which was incorporated into the financial plan. The proposals had been recommended by the Finance & Resources Committee. The proposal was approved.

5.5.2 Sports Facilities Enhancement

- 5.5.2.1 The DVC(DW) explained that this proposal represented stage one of a project to review and enhance the University's sports facilities and that the project costs were [confidential]. It would boost BU's competitiveness and enhance the student experience whilst being consistent with the BU Vision and Values. The proposal was recommended to the Board by the Finance & Resources Committee. The proposal was approved.

5.6 Performance Review (KPIs)

The report was noted and the DVC(DW) confirmed that future reports would be based on the KPI structure arising from the new Strategic Plan.

6 COMMITTEE REPORTS

6.1 Finance & Resources Committee (16 December 2011)

The minutes of the meeting were noted.

6.1.1 Management Accounts

The Management Accounts were noted. The IDoF commented on the forecast overspend on EIS staff costs identified by the Finance & Resources Committee. A review of EIS staffing was being undertaken and it had become apparent that the original budget had been unrealistic. He informed the Board that the overspend related

to IT rather than Estates staff and had arisen for a number of reasons, including the employment of temporary staff. Capital budgets had been transferred to revenue budgets in order to cover staff costs and a number of operational issues had been flagged which would need to be addressed. An embargo on spending for the duration of the review had been imposed.

6.2 Enterprise & Commercialisation Task & Finish Group (3 November and 16 December 2011)

The minutes were noted.

6.3 Senate (2 November 2011)

The minutes were noted.

6.4 Education & Student Experience Committee (16 November 2011)

The minutes were noted.

6.5 Academic Standards Committee (7 December 2011)

The minutes were noted.

7 ANY OTHER BUSINESS

7.1 There was no other business

8 DATE OF NEXT MEETING

The next meeting of the Board will take place on **Friday, 27 April 2012**, preceded by a dinner on the evening of **Thursday, 26 April 2012**.

Noel DG Richardson
Clerk to the University Board
February 2012

Geoff Rayment
Committee Clerk
UB-1112-2-Minutes

Approved as a true and accurate record:

.....
Mrs S Sutherland (Chair)

Date:.....27 April 2012.....