

BOARD OF GOVERNORS' MEETING – 01 July 2019

EXECUTIVE SUMMARY (CONFIRMED)

Contact Susan O'Donnell, susan.odonnell@northumbria.ac.uk, Secretary to the Board of Governors, with any queries about this Executive Summary.

MAIN ITEMS DISCUSSED/DECIDED ON AT THE MEETING**Chair's Opening Remarks: Governor Introductions and Valedictions** [Oral Report]

The Chair thanked Simon Noble and Matthew Johnson on behalf of the Board for their positive and constructive contribution as Governor/Trustees and in their roles as President and Vice-president (Postgraduate) in the Students' Union. He welcomed Emmanuel Kabengele as incoming President (and therefore Governor/Trustee) and Claudia Shaw as Vice-President (Education), who had been nominated to sit on the Board.

Nomination Committee update, including Chair and wider Independent Governor/Trustee Succession Planning [BG18/85]

The Board of Governors considered an update on Board of Governor and Committee appointments and succession planning discussions undertaken by Nominations Committee and the preparations for the forthcoming Chair and Governor recruitment campaign. The Chair would hold discussions regarding Committee membership during his routine one-to-one meetings over the summer period. Succession planning and continuity was key regarding Committee Chair roles, given that the Terms of Office of all three Committee Chairs would expire between July 2020 and February 2021. A recent meeting between the Chair and the Staff Governors had produced recommendations regarding Staff Governor roles Board committees.

The Board noted the update on the forthcoming Chair and Governor recruitment campaign and:

- i. **unanimously approved the re-appointment of Craig Apsey as a Governor/Trustee for a third and final three-year term with effect from 01 September 2019;**
- ii. **approved that Jean Brown would be designated as the Staff Governor on Strategic Performance Committee, and that Lorraine Brown would be designated as the Staff Governor (observer role) on Employment and Finance Committee.**

Appointment Plans: Secretary to the Board of Governors [Oral Report]

The Chair confirmed that it had now been agreed to advertise for a new Secretary to the Board position, open to external and internal candidates, and that Susan O'Donnell had been appointed to the role on an interim basis, pending the recruitment exercise. **The Board noted the updated position.**

Vice-Chancellor's Report [BG18/86]

The Board of Governors noted the key points in the Vice-Chancellor's Report including the publication of the Augar Report on 30 May 2019 and continued political uncertainty following the election of a new Prime Minister and issues arising from Brexit, on which internal planning work was continuing. More positively, the reinstatement of post-study work visas was now expected and Northumbria had reached the Top 100 in the THE Young University rankings, and attained QS five stars, the only post-1992 University to do so. NSS results were due for release on 03 July 2019. Recent research grants awarded included a c£3.5M research grant awarded to HLS for a Hub for Biotechnology in the Built Environment. Pensions remained an area for concern with current USS discussions possibly influencing related TPS and LGPS discussions. Recent senior staff changes were highlighted and Professor Jane Core, who retired from her role as Director of Student and Library Services in 2018, had been awarded an MBE.

University Strategy 2018-23: Proposed KPI changes [BG18/87]

The Board of Governors considered a paper on proposed changes to University Strategy KPIs for KPI2 and KPI3i (home and international PGT) in the near term and on a proposed change to the methodology used and the target set for student continuation (KPI6). **The Board approved the proposed changes to KPI2/3 and KPI6i. Governors welcomed the University's desire to use the bedrock data to draw out enhanced meaning via data analytics while HESA were currently reviewing the TEF methodology.**

2019/20 Planning, Budget and Five-Year Financial Forecasts [BG18/88]

The Board considered plans and budget for 2019/20, and the updated five-year forecasts which would be further updated for the November cycle of meetings prior to approval by the Board and submission to the

OfS. The budget was set in a challenging period: income growth was not guaranteed to cover cost pressures, e.g. increasing staff costs (pensions, pay inflation, growth in staffing), growth in non-staff costs to support income growth and the challenge of growing non-regulated income against a backdrop of static Home/EU tuition fees. 2019/20 investments, and a cost efficiency plan, had been prioritised based on their ability to deliver the strategic outcomes. The plans would result in a reported deficit position of [REDACTED], considered sustainable for 2019/20, since it included the part year effect of a [REDACTED] cost efficiency plan, and a [REDACTED] cost of change: when these were excluded, the underlying deficit was [REDACTED]. The proposed budget would position the University well for future challenges, maintain levels of investment into the Strategy, with clear future financial performance plans in place to continue to invest and/or mitigate risks. **The Board approved the 2018/19 budget, noting that Employment and Finance Committee members were comfortable with the budget proposals presented, given the current sector climate. The Board noted the updated five-year forecasts and requested further exploration of the factors affecting the financial forecasts at the 01 October 2019 UE/Board Away Day as well as an indication of how the intended impact and outcomes arising from the proposed staff changes and transformation investments would be demonstrated and reported in future reports to Employment and Finance Committee and Board of Governors.**

Estates Masterplan 2030 Development [BG18/89]

The Board considered an update on the Estates Masterplan 2030 and the potential options for financing of the Estate plans. The four strategic projects for delivery were outlined, alongside the three key cross-cutting themes that would underpin annual capital estates investment during the life of the plan. Employment and Finance Committee had considered, on 17 June 2019, an associated outline financial plan and had identified further work required to members emphasised the need to consider a wider range of options, give further thought on the re-provision of accommodation and prioritising financial sustainability and affordability, which was now underway. **The Board accepted the plan and the work underway to align the key elements of the Plan with the five-year financial forecast and invited further Estates Plan development discussions during the September 2019 Board and Away Day.** [REDACTED]

NU-Yunnan PDCT-Strategic Partnership Agreement Progress Report - Commercially Sensitive [BG18/90]

The Board of Governors noted progress on the development of a Strategic Partnership between Northumbria University and Yunnan Provincial Department of Culture and Tourism. Following a recent delay, key meetings were now planned over July and August 2019. Business Models would be prepared and submitted to Employment and Finance Committee, with related updates to the Board, as the project continued. **The Board noted the update and were pleased that the donors involved had accepted the invitations issued to attend the Congregation Dinner.**

Project Sand Update - Commercially Sensitive [BG18/91]

The Board of Governors noted progress with the development of proposals for a new partnership with an overseas partner, and the recent endorsement of the development approach and commercial model by Employment and Finance Committee, which had also raised a number of queries for consideration. **The Board unanimously approved the submission of a Stage One application [REDACTED] and agreed to delegate authority to a sub-group to approve submission of Stage Two application [REDACTED] (if appropriate).**

Monthly Financial Performance Report: Period 10 2018/19 [BG18/92]

The Board noted the period 10 (to 31 May 2019) financial results and the improved Q3 forecast operating deficit, **noting the need for active spend management in the remaining months was critical.**

Student Recruitment 2019/20 [BG18/93]

The Board of Governors noted the Student Recruitment update for 2019/20 recruitment, as at 01 July 2019. **The Board noted the Report and commended the current out-turns in a highly competitive market, particularly the improvements on International recruitment.**

Access and Participation Plan 2020/21 Overview [BG18/94]

The Board considered a summary of the approach to the draft Access and Participation Plan for 2020/21 – 2024/25, applicable to UK/EU undergraduate and Initial Teacher Training students, which now needed to

cover a five-year period, starting 2021. The Board unanimously approved the approach to, and the main elements of, the Plan noting that extensive Access work would continue, to support the Plan's outcomes and that the recent successful consultation with the Students' Union would be evidenced in the Plan submitted to OfS, and would continue to develop as actions were refined. OfS had recently written to University Chairs to reiterate the importance of these Plans, the outcomes and impact of which would be monitored via Strategic Performance Committee.

HR update on Business Outcomes, Activity Reviews, Pay and Pensions [BG18/95]

The Board considered progress on the Business Outcomes within the Strategic Plan for People and other relevant activities, including forthcoming Structural Reviews in Faculties, Finance and Resources and a Technical Review. The Board noted the update and the unprecedented financial challenges affecting the sustainability of benefits, the long-term affordability of contributions and the potential viability implications of maintaining a defined benefit approach to retirement savings, which raised potential knock-on impacts for the University and the sector beyond the immediate cost challenges.

Health, Safety and Wellbeing Report Q3 2018/19 [BG18/96]

The Board of Governors noted the Health, Safety and Wellbeing Report Q3 2018/19, the successful retention of the RoSPA Gold Award and the encouraging trend in accident statistics; improved training about the need to report accidents quickly following the recent delay in reporting a RIDDOR incident. Additional mechanisms to measure the effectiveness of wellbeing initiatives should be explored as well as other ways of engaging with those staff who could benefit from wellbeing events but could not always manage to attend.

Prevent Duty Mid-Year Report 2018/19 [BG18/97]

The Board of Governors considered and noted the Prevent Duty Mid-Year Report, including action planned for 2019/20. The University had received a positive outcome from the Office for Students (OfS) on 15 April 2019 that it had 'demonstrated due regard' to the Prevent Duty, on the basis of the OfS assessment of the 2017/18 accountability and data return (ADR).

Strategic Risk Register Update [BG18/98]

The Board of Governors considered the revised Strategic Risk Dashboard and initial work to align recent work on possible disruptors to these Strategic Risks. The Board noted the Dashboard and welcomed the work to explore the connections with recognised disruptors, which would ensure the revised Register was fit-for-purpose.

Students' Union President's Report – July 2019 [BG18/99]

The Board of Governors considered the Students' Union President's Report, the final report from the outgoing President, which highlighted the Annual Awards and Student Led Teaching Awards, the forthcoming Pride Breakfast (20 July) and Futures festival (30-31 May) and a new "Halls to Homes" leaflet, for students moving from halls of residences into local residential areas and which outlined characteristics of being a good neighbour. The President expressed his thanks to Board and University Executive colleagues. The Board noted the report and welcomed the support that would be provided to new Sabbatical Officers, including meetings with the Governance Team and the Chair. The Chair expressed thanks to Simon Noble and Matthew Johnston for their positive engagement and constructive challenge, which had added great value to Board discussions.

Board of Governors' Meeting: 13 May 2019 [BG18/100-100ii], **Summary Action List and Matters Arising** [BG18/101] and **Board of Governors Annual Agenda Plan 2018/19** [BG18/102]

The Board of Governors confirmed the Executive Summary and Minutes of its Meeting on 13 May 2019 as an accurate record, subject to the correction of Minute 18.077ii, and noted the Summary Action List, Matters Arising and draft Annual Agenda Plan for 2019/20.

Executive Summaries of Meetings: Strategic Performance Committee, Employment and Finance Committee, Audit Committee and Academic Board [BG18/104-108]

The Board of Governors noted the Executive Summaries of the recent meetings of Board Committees.

Susan F O'Donnell, Interim Secretary to the Board of Governors
August 2019
