

**UNIVERSITY OF CENTRAL LANCASHIRE**  
**UNRESERVED MINUTES OF THE UNIVERSITY BOARD MEETING HELD ON 16<sup>th</sup> NOVEMBER 2017**  
**COMMENCING AT 2:30PM IN THE WINDERMERE SUITE, THE BELSFIELD HOTEL, KENDAL ROAD,**  
**CUMBRIA LA23 3EL**

**Present:**

David Taylor (Chair)

Andrea Adams	Jon Hogan
Ebrahim Adia	Janice Horrocks
Fiona Armstrong	Sana Iqbal
Maria Darby-Walker	Lesley Lloyd
Jim Edney	Bill McQueen
Dawne Gurbutt	Mike Thomas
Joanne Heaton-Marriott	

**In attendance:**

Michael Ahern (Chief Operating Officer)  
Daniel Benham (Director of Finance)  
Liz Bromley (Deputy Vice Chancellor (Corporate Planning and International Strategy))  
Ian Fisher (Clerk to the Board)  
Ken Lee (Executive Director for Human Resources)  
Anne Roberts (Executive Assistant to the Vice Chancellor)  
Fiona Winters (Deputy Clerk to the Board)

**UB564. Welcome and Apologies**

The Chair welcomed those present to the meeting and reported that apologies for absence had been received from Richard Hext. Mr Taylor also reported that Dr Lynne Livesey was unable to attend the event due to illness and that Professor Thomas would present any relevant reports etc on behalf of Dr Livesey.

**UB565. Declaration of Interests**

Janice Horrocks, Ebrahim Adia, Jo Heaton-Marriott and Dawne Gurbutt declared an interest in respect of Item 10 (Report of the Nominations Committee).

**UB566. Chair's Announcements**

**RESERVED MINUTE**

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### UB567. Reserved and Unreserved Minutes of the University Board Meeting held on 21<sup>st</sup> September 2017

Subject to an amendment to Minute 554 to include a reference to the statement by the Vice Chancellor that it was not proposed to close any courses, the Reserved and Unreserved Minutes of the University Board Meeting held on 21<sup>st</sup> September 2017 be agreed.

### UB568. Matters Arising from the University Board Meeting held on 21<sup>st</sup> September 2017

**UB551** - The Chair reported that the position of the Deputy Chair would be considered later in the Agenda. The Chair also reported that he had briefly discussed the issue of Student Union representation on the Remuneration Committee with Mrs Iqbal and agreed that the matter should be considered at the next meeting of the Nominations Committee and that Mrs Iqbal should attend the Nominations Committee during their deliberations on the matter.

**UB556** - The Deputy Vice Chancellor (Corporate Planning and International Strategy) reported that the planning conference had now take place and had been received positively. Mrs Bromley explained that work was now underway to build on the existing KPIs and that a further report would be presented to the Board Meeting in due course.

**UB559** – It was agreed that a meeting of the Board Communications Advisory Group to consider Communications and Marketing issues should be convened.

### UB569. Annual Report of Audit and Risk Committee

The University Secretary and Legal Officer presented a report incorporating the Annual Report of the Audit and Risk Committee. A copy of the Report is set out in the Minute Book.

In briefly summarising the Report, Mr Fisher explained that the report is prepared pursuant to the HEFCE Audit Code of Practice in order to provide assurance to the Board on a number of issues within the remit of the Committee. The report also confirms that the External Auditors (KPMG) had issued an unqualified opinion and that the Internal Auditors (PwC) had not identified any significant weaknesses which should be reported in the Corporate Governance statement. Mr Fisher also highlighted the 'overall audit opinion' on page 6 of the Report which confirmed that, based upon the evidence presented to it, the Committee was satisfied with the overall adequacy and effectiveness of the University's arrangements for:-

- Risk Management, Control and Governance;
- Management and Quality Assurance of Data submitted; and
- Promoting Value For Money.

Finally, Mr McQueen, the Chair of the Committee confirmed that the various supporting reports had been considered by the Committee and that the Committee had agreed that the report be presented to the Board.

**Resolved:** That the Annual Report of the Audit and Risk Committee be received and the assurances set out therein be noted.

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### UB570. (a) HEFCE Accountability Return (Finance)

#### (b) HEFCE Annual Assurance Return 2017

The Board received two reports incorporating the draft HEFCE Accountability Return (Finance) and the draft HEFCE Annual Assurance Return 2017. A copy of each Report is set out in the Minute Book.

With regard to the Accountability Return, the Director of Finance confirmed that the document was self-explanatory and that there were no particular issues he wished to highlight.

With regard to the Annual Assurance Report, the Deputy Vice Chancellor (Corporate Planning and International Strategy) explained that the Report was simply to provide formal assurance relating to the non-financial issues. Mrs Bromley explained that the document was in the required template and that a narrative report on the Academic Board related issues would be presented later in the meeting.

**Resolved:** That the HEFCE Accountability Return (Finance) and the HEFCE Annual Assurance Return 2017 now presented be agreed and the same be submitted to HEFCE.

### UB571. Internal Audit Business Enhancement Review: Governance Effectiveness

Mr Chris Monk from PricewaterhouseCoopers (PwC) presented a Report incorporating the findings of the recent Governance Effectiveness Review. A copy of the Report is set out in the Minute Book.

In introducing the report, Mr Monk explained that the review had involved assessing the governance arrangements in the University against the Higher Education Code of Governance published by the Committee of University Chairs in December 2014. In essence the Code sets out principles Universities should follow in order to demonstrate good governance and the review had sought to compare the University's current approach against the seven elements of the Code and identify potential changes to the current approach to more closely reflect the expectations of the Code.

In terms of the methodology of the review, Mr Monk explained that, in addition to a review of the recent self-assessment, PwC had also reviewed relevant documentation and spoken to a number of Board Members and Senior Staff.

With regard to the findings, Mr Monk explained that, whilst there were a number of recommendations for consideration, this was not uncommon given the breadth of the exercise. Indeed a number of the issues and proposed changes were already in the pipeline but not taken forward to allow for PwC input.

Mr Monk also explained that there were different ways and systems that could be used to comply with the principles and these issues were a matter of judgement for the institution in question. Accordingly, the recommendations were split between 'should do' or 'could do'.

Mr Monk then briefly summarised some of the recommendations and confirmed that the University was generally in a good place on Corporate Governance.

The University Secretary reported that the review had played an important role in the ongoing governance modernisation process and the next item on the Agenda was the initial response to the findings and that other reports would follow in due course. Mr Fisher also confirmed that reports would be presented to the Audit and Risk Committee to provide an update on how the recommendations were being addressed.

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**Resolved:** That

- (i) The report be noted; and
- (ii) further reports be presented to the Board and Audit and Risk Committee in response to the recommendations.

### **UB572. Constitutional Update – Initial Response to PwC Governance Effectiveness Review**

The University Secretary and Legal Officer presented a report setting out initial proposals following receipt of the PwC Governance Effectiveness Review considered at UB571. A copy of the Report is set out in the Minute Book.

In summarising the report, the University Secretary explained that the background to the PwC review and proposed way forward had been reported earlier and that the Report contained proposals to deal with a number of matters identified that did not require more detailed consideration. Mr Fisher explained that the recommendations in question could be easily introduced by making minor changes to the Terms of Reference of three of the University Board Committees (Resources, Audit and Risk and Remuneration). Mr Fisher then briefly summarised the proposed changes.

In concluding, Mr Fisher reiterated that further reports would be presented in due course on other matters, including proposals relating to Board oversight of Academic Quality issues.

**Resolved:** That

- (i) the Report be noted;
- (ii) the revised Terms of Reference for the Audit and Risk Committee, the Resources Committee and Remuneration Committee now presented be adopted with immediate effect; and
- (iii) further reports be presented in due course.

### **UB573. Report of the Nominations Committee**

*Janice Horrocks, Ebrahim Adia, Dawne Gurbutt and Joanna Heaton-Marriott left the meeting for the duration of the consideration of this item.*

The Chair of the Board opened the discussion by briefly summarising recent developments which prompted the Nominations Committee to consider the issue, including the resignation of Janice Horrocks as Deputy Chair of the Board, Chair of the Remuneration Committee and Member of Resources Committee. Mr Taylor explained that, subject to decisions the Board would be asked to take shortly, the Nominations Committee would be meeting early in the new year to commence a Recruitment and Selections Process. However, he wished the Board to consider the following initial recommendations at this stage.

1. That Jim Edney be appointed as Deputy Chair of the University Board;

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2. That Andrea Adams be appointed as Chair of the Remuneration Committee and that Fiona Armstrong be appointed as a Member of the Remuneration Committee.

**Resolved:** (With the individual concerned not voting in respect of their own position)

That:

- (i) Jim Edney be appointed as Deputy Chair of the University Board;
- (ii) Andrea Adams be appointed as Chair of the Remuneration Committee and that Fiona Armstrong be appointed as a Member of the Remuneration Committee.

The Chair of the Nominations Committee then set out the views of the Committee (where quorate) in respect of circumstances in which Independent Members of the Board are subsequently appointed as an employee or consultant of the University and in respect of the seniority of staff members on the Board. Mrs Adams also set out proposed transitional arrangements in respect of the individuals caught by the proposed new policy.

Mrs Adams requested that any Board Members who had yet to do so, please complete the skills matrix previously circulated. The results along with the relevant guidance and relevant feedback from PwC's result would then be used by the Nominations Committee as part of the recruitment exercise.

Finally, the Vice Chancellor confirmed that he would inform the Academic Board of the impending vacancies.

**Resolved:** That

- (i) the update be noted;
- (ii) any Independent Board Member who is subsequently employed (or appointed as a paid consultant) by the University shall resign as a Board Member as soon as is practicable following such an appointment;
- (iii) any future nominations from the Academic Board of individuals to act as staff representatives on the University Board be restricted to employees who are on any grade below a Management grade;
- (iv) any future staff representative Board Member who, following an appointment to the University Board, is subsequently appointed to a Management grade post, shall resign from the Board as soon as is practicable; and
- (v) Janice Horrocks, Joanna Heaton-Marriott and Ebrahim Adia and Dawne Gubutt remain as Members of the Board until 31<sup>st</sup> July 2018.

*Janice Horrocks, Ebrahim Adia, Dawne Gurbutt and Joanna Heaton-Marriott returned to the meeting*

## **Strictly Private and Confidential**

The Director of Finance presented a report attaching the Annual 2017 Financial Statements incorporating a draft Letter of Representation to the External Auditors for consideration by the Board. A copy of the Report is set out in the Minute Book.

In briefly presenting the Report, Mr Benham confirmed that the Audit and Risk Committee had reviewed the Accounts and Draft Letter of Representation to the Auditors and recommended the same to the Board for approval.

### **TEXT REDACTED – RESERVED MINUTE**

**Resolved:** That

- (i) the Financial Statements 2017 and draft Letter of Representation now presented be agreed; and
- (ii) the Vice Chancellor be authorised to sign the document on behalf of the Board.

### **UB575. Financial Health Policy**

The Director of Finance presented a Report incorporating a Financial Health Policy for consideration by the Board. A copy of the Report is set out in the Minute Book.

In briefly presenting the Report, Mr Benham explained that the policy effectively comprised Key Performance Indicators for the Financial Health of the University. The four key metrics used were; Financial Replenishment, Net Asset Maintenance, Cash Reserves and Debt Level. Mr Benham further explained that these measures were complementary to those used by HEFCE.

Mr Benham also reported that the Policy had been considered and approved by the Resources Committee and that the intention was to trial the model for 12 months.

The Board welcomed the Policy as being helpful.

**Resolved:** That the Report be noted.

### **UB576. Proposal to University Board to approve the revised Articles of Association for the University of Central Lancashire Students' Union**

The Board received a Report from the Chief Executive of the Students' Union incorporating draft Revised Articles of Association for the Union. A copy of the Report is set out in the Minute Book.

In presenting the Report Mrs Iqbal explained that the revised Articles had been produced in order to modernise the existing Articles and that the revised Draft was in line with best practice in the sector.

The Vice Chancellor also reported that the revised Articles had been considered and endorsed by the Executive Team.

In approving the revised Articles, the Board asked for clarification about whether it was possible for an Independent Member of the University Board to also sit on the Board of the Students' Union.

**Resolved:** That the revised Articles of Association for the UCLan Students' Union now presented be approved.

### **UB577. Prevent Update**

## **Strictly Private and Confidential**

The Chief Operating Officer presented a Report updating the Board on how the University was continuing to achieve its responsibilities under the Statutory Prevent Framework. A copy of the Report is set out in the Minute Book.

In presenting the Report, Mr Ahern explained that an annual update to the Governing Body in a prescribed format was a formal requirement to the submission of the Report to HEFCE.

Mr Ahern then briefly summarised the content of the Report and confirmed that there was no reason why the Governing Body should not make the required declaration set out in the Report.

**Resolved:** That

- (i) the Report be noted; and
- (ii) the required declaration of the Governing Body set out in the Report be made and the Chair be authorised to sign the same.

### **UB578. Update from the Vice Chancellor**

The Vice Chancellor presented a Report updating the Board on a number of issues. A copy of the Report is set out in the Minute Book.

In presenting his Report, Professor Thomas indicated that the contents were largely self-explanatory and that, given the pressure on time, he would keep his comments to a minimum.

Professor Thomas briefly summarised the current position in respect of the 2017/18 recruitment cycle and highlighted the list of commonly used acronyms on page 3.

#### **TEXT REDACTED – RESERVED MINUTE**

Finally, Professor Thomas updated the Board on his recent attendance at the House of Lords Education Committee and confirmed that he would present a report on the upcoming regulatory changes in the Higher Education Sector in Spring 2018.

**Resolved:** That

- (i) the report be noted; and
- (ii) a detailed report on changes to the regulation of the Higher Education Sector be presented in Spring 2018.

### **UB579. (a) Academic Board**

In the absence of Dr Livesey, the Vice Chancellor presented a report summarising the work undertaken by the Academic Board during the Academic Year 2016-17. A copy of the Report is set out in the Minute Book.

Professor Thomas briefly summarised the key role of the Academic Board and its Committees and confirmed that the Report was self-explanatory.

**Resolved:** That the Report be noted.

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### **(b) Academic Governance Assurance Report from Academic Board**

The Deputy Vice Chancellor (Corporate Planning and International Strategy) presented a Report setting out the University's Academic Governance Framework along with details of a proposed review in June 2018. The Report also contained a draft Scheme of Delegation for the Academic Board and its Committees for consideration by the University Board. A copy of the Report is set out in the Minute Book.

In briefly summarising the Report, Mrs Bromley explained that, essentially, the document sets out the Academic Governance Framework, whilst the previous report ((a) above) contained details of the outcome of the process.

**Resolved:-** That

- (i) Having received the Report on Academic Governance and Assurance of activities in relation to the Quality and Standards of University Awards and Student Academic Experience and Student Outcomes, the Board confirms its assurance in relation to the requisite HEFCE statements from the Governing Body in Part 2 of the Annual Assurance Return;
- (ii) the proposed Academic Governance Review in June 2018 be noted; and
- (iii) subject to the amendment in Appendix 3: Student Experience Committee, the addition of 'Students' Union Update' under Student Voice, the draft Academic Board Scheme of Delegation now presented be approved.

### **UB580. University Risk Register**

The Deputy Vice Chancellor (Corporate Planning and International Strategy) presented a Report updating the Board on developments in relation to the University's Risk Register. A copy of the Report is set out in the Minute Book.

In presenting the Report, Mrs Bromley explained that the two key risks were Student Recruitment and the political environment because both issues directly impact upon income.

Mrs Bromley then briefly summarised developments in respect of other risks and noted that both the retention figures and the League Table position were improving and that the impact of Brexit on the University would be significantly less than on other Universities with a larger cohort of European Students and Higher Level of EU Research Funding.

Finally, Mrs Bromley confirmed that the Register was kept under regular review by the Executive Team and that Risk Management was very much part of core business activity and detailed consideration of the Register is also undertaken at the Audit and Risk Committee.

### **TEXT REDACTED – RESERVED MINUTE**

In concluding, the Vice Chancellor confirmed that the Register was very much a living document and that the comments of the Board would be fed into that process.

**Resolved:** That the Risk Register be noted and the comments of the Board be fed into the ongoing review process.



## **Strictly Private and Confidential**

### **UB581. RESERVED MINUTE**

### **UB582. Finance Director's Report**

The Director of Finance presented a Report updating the Board on key financial issues. A copy of the Report is set out in the Minute Book.

In briefly summarising the Report, Mr Benham explained that this was the first presentation of such a report and the content would be refined over time. Mr Benham also reported that a more detailed version of the report will be presented to the Resources Committee.

#### **TEXT REDACTED – RESERVED MINUTE**

With regard to the proposed new Treasury Management arrangements referred to on page 6, Mr Benham reported that he would seek the support of Mr Hogan in taking that issue forward.

The Board thanked all concerned with the AUC initiative and also endorsed the need for a better understanding of our strengths and weaknesses in Academic provision. That is, why some courses are profitable and others are not.

**Resolved:** That the Report be noted.

### **UB583. RESERVED MINUTE**

### **UB584. Planning Conference 2017**

The Deputy Vice Chancellor (Corporate Planning and International Strategy) presented a report on a recent Conference held to launch a new Corporate Planning process. A copy of the Report is set out in the Minute Book.

Mrs Bromley reported that the Conference had gone well and that she would circulate the relevant document(s) in due course.

**Resolved:** That the Report be noted.

### **UB585. Progress Report: Equality, Diversity, Inclusion and Communities**

The Deputy Vice Chancellor (Corporate Planning and International Strategy) presented a Report summarising recent activities to support Equality, Diversity, Inclusion and Communities (EDI&C). A copy of the Report is set out in the Minute Book.

In briefly summarising the Report, Mrs Bromley explained that this was the first report prepared by Linda Tompkins the new EDI&C Officer. Mrs Bromley also highlighted her successful recent visit to Cyprus with a group of young women as part of a Youth Leadership Project and the positive joint working with the Students' Union which had resulted in the allocation of £50k funding from HEFCE.

Finally, Mrs Bromley agreed to ask Ms Tomkins to assist the Nominations Committee to ensure the widest possible application pool during the next round of Board Member recruitment.

**Resolved:** That the Report be noted.

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### UB586. Any Other Business

1. Mrs Iqbal reported that the Students' Union had recently been through the Students' Unions Quality Accreditation process and had achieved a ranking of good. However, whilst this was pleasing, given that the Union had been ranked as excellent in nine of the twelve headings, there was actually some disappointment with the overall ranking.

The Board congratulated Mrs Iqbal and the team on this excellent result.

2. Mrs Iqbal reported that the annual Christmas lunch would be larger than ever this year with approximately one thousand students being catered for. Mrs Iqbal also thanked the University for its ongoing support for the event.
3. Mrs Heaton Marriott reported that the Students from the University would be performing on the BBC Children in Need programme the following evening.
4. Mrs Lloyd requested that an update be presented on the development of the University's website and future of the Foundation Year initiative given the significant fall in numbers.
5. The Chair reported that, given pressure on time, the Chair's reports on matters considered by the Committee would be circulated in writing in due course.
6. The Chair reported that Prince Harry had recently visited the University and that the event had gone extremely well with very positive feedback from the Prince.

### UB587. Date and time of Next Meeting

**Resolved:** That the next meeting be held on 25th January 2018 in the Conference Room, Adelphi Building, Preston at 4:00pm.

**I M Fisher**  
**Clerk to the Board**