



BOARD OF GOVERNORS

**Minutes of the meeting held
on Monday 1st July 2013**

PRESENT: Mr R Hill (Chairman) Professor P Lisboa
Mr T Aldus Dr P Livsey
Ms N Benson Sir B Massie
Mrs K Byrne Mr B McCann
Mr J Carson Mr R McGee
Mrs C Dove Ms D Shackleton
Mr P Holme Mr J Stopforth
Mr A Holroyd Professor N Weatherill
Mr P Hyland

IN ATTENDANCE: Ms J Bertolini (Finance Director & Deputy Chief Executive)
Mr P Evans (Strategy Management Director)
Dr E Harcourt (Pro-Vice-Chancellor (External Engagement))
Ms K Johnston (Dean, Faculty of Education Health and Community)
Mr S Kenny (Pro-Vice-Chancellor (Education))
Professor D Meehan (Dean, Faculty of Technology and Environment)
Mr M Power (Registrar & Deputy Chief Executive)
Mr C Reid (President-Elect, LiverpoolSU)
Mrs D Tipping (Meeting Secretary)
Professor R Webster (Dean, Faculty of Arts, Professional and Social Studies)
Professor P Wheeler (Dean, Faculty of Science)
Ms A M Wild (University Secretary & Deputy Chief Executive)

WELCOME

The Chairman, on behalf of the Board, welcomed the new President-Elect, LiverpoolSU, to his first Board of Governors' Meeting.

The Chairman also welcomed Dr Edward Harcourt, the new Pro-Vice-Chancellor (External Engagement) to his first meeting.

LJMU 13.23 **APOLOGIES**

Apologies were received from Mr Graham Morris and Ms K Wilkinson (LiverpoolSU) and for a late arrival from Ms N Benson and Mrs C Dove.

The Board **received** some introductory remarks about the Chairman's wishes and expectations for the Board in the coming period. He thanked Governors for their confidence in appointing him Chairman and paid tribute to the outgoing Chairman, Sir Malcolm Thornton.

It was **reported** that:

- The Chairman re-iterated the responsibilities for the Board as non-Executive members of the University as compared to the responsibilities of management, the Executive members, and conveyed his wishes for seeking consensus from Board members, ensuring the opportunity for all those attending Board meetings to engage and contribute fully to the decision-making process.
- The Chairman's expectation is that all the papers would have been read fully before the Board Meeting and that presenters should focus only on the key points. He also proposed changing the format of the agendas with key points high up on the agenda for full Board discussion, followed by minutes and endorsements the ending with items for noting.
- The Steering Group for the oversight of the Copperas Hill project would be established at the end of the year comprising of the Chairman and Governors with legal, commercial and financial experience. Additional support, to include property expertise, would be co-opted onto the Group as necessary.

Action: Chairman and the University Secretary & Deputy Chief Executive.

- The Chairman also informed the Board that he would be re-establishing the position of Deputy Chairman of the Board and which will be discussed as a separate item on the agenda.
- The Chairman advised that the Nominations Committee is looking at the new executive and academic committee structure and whether this will require changes to the Board's existing committees. The Nominations Committee was also considering the current vacancies on the Board.
- The Chairman advised the Vice-Chancellor and Attendees that he would like to work with the Executive on the basis of "no surprises"; ensuring significant business is available to the Governors in a timely manner to ensure the best use of the Board's time and for members to give value and contribute effectively.

The Board **noted** the Chairman's remarks.

LJMU 13.25 **MINUTES**

The Board **approved** as a correct record the minutes of the meeting held on 25th March 2013 (LJMU 13/14) and the extraordinary meeting held on 8th April 2013 (LJMU 13/15).

LJMU 13.26 **MATTERS ARISING NOT SHOWN ELSEWHERE ON THE AGENDA**

- (a) The Chairman **confirmed** for the record that he had approved and signed the Access Agreement 2014/15 (LJMU 13/16).
- (b) The Chairman **confirmed** for the record that he had approved an amendment to the LiverpoolSU's Constitution, extending the terms of office of the Trustees from 2 x 2 years to 2 x 3 years.

It was **commented** in relation to the Access Agreement that:

- Governors were pleased with the Access Agreement and considered that the University had struck the right balance to safeguard and improve its current high levels of fair access.
- The Vice-Chancellor & Chief Executive advised the Board that the Access Agreement had received a positive response from students and that the Strategic Management Team (SMT) would continue to review the scheme to ensure the University is spending a proportionate amount and also to look at new initiatives.
- The Pro-Vice-Chancellor (Education) advised the Board that there is an expectation from the Higher Education Funding Council for England (HEFCE) that universities commit to spending 15% of their fee income above the basic rate (£6k) on access measures. He also advised that LJMU's Access Agreement covered three strands: (1) supporting access to the University; (2) retaining students; and (3) assisting employability, thus providing a holistic strategy that provides support through the whole student experience.
- Governors have been impressed with the University's record for providing access opportunities for disadvantaged women and the black community and would like to see this access opportunity continuously monitored in the future to ensure this work continues.
- Governors recognised that the University has an enlightened strategy for access and that this may create disadvantages for performance measurements and league tables. The Vice-Chancellor accepted this important point and advised that the

balance would continue to be navigated between improving points for the University's intake policy and giving access opportunities to students from under-represented groups.

- Governors also recognised the need to ensure appropriate staff support was provided to students and that there are costs incurred to ensure good SSRs to enable the University to maximise student retention.

The Board **noted** the Chairman's actions.

LJMU 13.27 **HEALTH AND SAFETY MATTERS**

It was **reported** that:

- The University Secretary & Deputy Chief Executive advised the Board on changes the Merseyside Fire and Rescue Service (MFRS), in line with several other Services in the UK, have made to their policy for responding to automatic fire alarm actuations.
- The changes mean that the University cannot now rely on MFRS attending and investigating the causes of fire alarm actuations (with the exception of the James Parsons Building tower in Byrom Street, for which an exemption has been agreed).
- On 14th May 2013 the SMT agreed to a proposal that University Security staff take on this role, for an additional moderate payment.
- The University's Health and Safety Unit has facilitated, with MFRS, four training sessions with additional sessions taking place on the 2nd and 4th July 2013. Training includes the new procedures to follow when an automatic fire alarm has been activated and scenarios that staff may face. MFRS also demonstrate how to safely investigate an automatic fire alarm and how to safely move through a building and recognise the signs of fire.
- Implementation of the agreed process will commence on 1st August 2013.

It was **commented** that:

- Due to the changes notified by the MFRS this had been placed on the Corporate Services' local risk register. However, now procedures had been put in place by the University the risks have been mitigated and therefore this has been removed from the risk register.

The Board **noted** the oral report of the University Secretary & Deputy Chief Executive.

LJMU 13.28 INSTITUTIONAL RISK REGISTER

The Board **received** the report of the Strategy Management Director (LJMU 13/17).

It was **reported** that:

- The Board of Governors received for information and discussion the most recent version of the Institutional Risk Register.
- Members of the Strategic Management Team (SMT) routinely review the Risk Register as part of their responsibility for risk management. The Institutional Risk Register shows risks held at an institutional level on a 5 by 4 scoring for likelihood and impact. This is formally presented for information to the Board in November and July each year.
- The latest version of the Register follows discussions at SMT on 26th March 2013 and 28th May 2013. This Register adopts the revised format approved by the Board of Governors in February 2013. This shows the residual risk scores from the current (May 2013) and previous (March 2013) SMT reviews of the Institutional Risk register and highlights the movement in the residual risk using a directional arrow. For simplification, the Register also adopts a monochrome format.
- Members of the Board were asked to note that further changes to the format of the Institutional Risk Register are required to ensure compliance with “colour contrast guidance”. The Strategy Management Director, in conjunction with the Monitoring and Risk Manager, are currently considering options for the format of the revised Register.
- In contrast to the previous approach to Institutional Risk Management, which provided Governors with a register that showed institutional risks with a residual score of 15 or above, this new process presents to the Board all risks held on the Institutional Risk Register.
- This minute has been removed under the terms of the Freedom of Information Act, Section 23, Commercial Sensitivity. Governors may request a full copy of the minute which will become publicly available when no longer commercially sensitive. You may request further information from the University’s Secretariat at secretariat@ljmu.ac.uk.
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- A summary of risk changes since October 2012 was provided within the report.

It was **commented** that:

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- Governors were concerned regarding any additional risks in relation to the recent government Comprehensive Spending Review, and in particular those related to pay and pensions.
- The Vice-Chancellor & Chief Executive advised Governors that the SMT were monitoring changes in relation to the Comprehensive Spending Review and that the University had been quite fortunate in there being no major impact on the University at this time. However, clarity regarding any reduction in Government funding to HEFCE was awaited as it was not clear where HEFCE would make those reductions and the impact it would have on the sector.
- Governors were also informed that public sector pay did not apply to staff at the University; however, the sector was encouraged to align with the public sector in this regard which could mean changes in the future.
- The Vice-Chancellor & Chief Executive also advised the Board that the SMT was centrally monitoring risk in relation to student recruitment across the University. This is not unusual within the Risk Management system and Deans had been asked to present risks in relation to recruitment within their faculties and to provide

mitigating steps to enable the SMT to manage the process effectively.

The Board **noted** the most recent version of the Institutional Risk Register.

LJMU 13.29 VICE-CHANCELLOR & CHIEF EXECUTIVE'S REPORT

The Board **received** the presentation of the Vice-Chancellor & Chief Executive, supported by an advanced briefing note (LJMU 13/18).

It was **reported** that:

- Universities & Colleges Employers' Association (UCEA) Update – Negotiations 2013/14: Further details had been released regarding the trade unions' responses to the final pay offer of 1% for 2013/14. All four unions in England, namely UCU, UNISON, Unite and GMB have invoked the dispute resolution procedure. The employers and the trade unions will now hold the first dispute resolution meetings. In addition, the Educational Institute of Scotland (EIS) has now written to UCEA to confirm that its Executive Committee has rejected the final offer.
- UCEA has organised two dispute resolution meetings in accordance with the new joint negotiation agreement. These took place on 25th June and today, 1st July 2013. The dispute meetings will be attended by all four trade unions that have invoked the dispute resolution procedure. EIS may attend the meetings as observers.
- Graduate advancement – World of Work/Employability Update:
 - (a) Destinations of 2012 LJMU graduates (UK, first degree, full-time students): There has been a fourth successive annual percentage increase in the number of graduates securing graduate/professional level employment – now 65.3%. There has been a fourth successive annual percentage decrease in the number unemployed – now 7.5%.
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- Honours List: Lynn Condell, a Manager based in the University's Student Advice and Wellbeing Team, has received an MBE in the latest Honours List. Lynn has worked tirelessly over the last 20 years to help prospective and current students, teachers and parents navigate the increasingly complex system of tuition fees, student loans, grants and bursaries to enable them to secure the funding they need to get a degree.

- Astrophysics Research Institute: The Astrophysics Research Institute (ARI) has now relocated to the Liverpool Science Park in Brownlow Hill. ARI is also the home to the National Schools' Observatory (NSO) which brings astronomy alive for pupils, giving around 3,000 schools free access to all its associated facilities.

- New Apprentices: Ten apprentices have started work at the University in a pilot scheme to boost employment of 16-24 year olds. The apprentices, aged between 16 and 17, are based in the University's Estate Management Department and over the next 12 months they will work in a variety of roles in administration, catering, computer aided design, facilities management and in the print unit. The pilot apprenticeship scheme is part-funded by Liverpool City Council through the Merseyside Apprenticeship Programme.

- LJMU Charities: The University has launched a new corporate charities initiative to ensure the University impacts positively on local communities by supporting the essential but often

underfunded and overlooked activities of charitable organisations operating across Liverpool and its neighbouring boroughs.

Staff are now invited to nominate the local charitable organisations they would like the University to support, both financially through the Give as You Earn Scheme and by enabling staff to get involved in more voluntary activities for a range of worthwhile causes.

- UK Innovation Prize – student winners: Seven LJMU Business and Public Relations students have won the national final of Young Enterprise Start Up Awards supported by Santander. The students founded the Teabox Company, an online tea business selling high-quality, loose-leaf tea. They were pitched against nine other student companies from across the UK and were awarded ‘Best Overall Start Up Company’ and ‘Best Display Stand’. They will now represent the UK at the European finals in Liège, Belgium in July.
- The Vice-Chancellor & Chief Executive informed the Board that a report back from the Quality Assurance Agency (QAA) as part of its mid-cycle audit confirmed that it had received all the necessary paperwork required from the University and that the University appears to have made good progress.
- The Vice-Chancellor & Chief Executive further reported that Phase Two of the realignment of the structure of the University was progressing well and that this would be in place for 1st August 2013. The Vice-Chancellor & Chief Executive wished his thanks to be noted for colleagues who had carried out significant work in this area.
- The Vice-Chancellor & Chief Executive also informed the Board that he was pleased to announce, in addition to the three new Pro-Vice-Chancellors, the appointment of a Director of IT Services; Director of Library Services; and Director of Legal and Governance Services. He was delighted with the quality of the individuals appointed to all these positions.
- The Vice-Chancellor & Chief Executive was looking forward to Graduation week and looked forward to welcoming Governors to the Graduation ceremonies and the Chancellor’s Dinner.

It was **commented** that:

- In relation to the internships, Governors were assured that the faculties which did not participate or had low participation rates would be encouraged to do so in the future.

The Board **noted** the Vice-Chancellor & Chief Executive’s presentation and briefing note.

FORECAST OUTTURN 2012/13 AND BASE BUDGET 2013/14

The Board **received** the report of the Finance Director & Deputy Chief Executive (LJMU 13/19).

It was **reported** that in respect of the forecast out-turn for 2012/13:

- The report presented to the Finance Committee in March 2013 revised the budget to a surplus of £4.5m, being a £7.5m surplus on operating activities, with £3m for a FRS17 pension charge. The forecast position at the end of May is for a surplus of £3.9m, being a £6.9m surplus on operating activities, with a £3m FRS17 pension charge.
- During the budget process and throughout the 2012/13 year, the faculties and services have reviewed their outturn forecast for the year and these values have been incorporated into the forecast as at the end of May 2013. There is a small overall change to the forecast position compared to that reported at the half year.
- The tuition fee value has been reduced from the half year forecast by £0.5m being £0.3m for Home/EU students and £0.2m for International students. This is as a result of withdrawals/no shows not previously identified. This still represents an overall increase of £0.7m compared to the budget. Every effort is currently being made to ensure that the impact of any further student withdrawals is being made in a timely fashion. Training Development Agency (TDA) grant income and the NHS Contract are as indicated in the half year forecast.
- There is no change to the budget and forecast value of £7.2m Bursaries and Scholarships paid to students for 2012/13.
- The University is anticipating that c£0.4m of provisions will be released as a result of the anticipated successful resolution to two ongoing building cost disputes. The overall increase in provisions relates to potential redundancies and doubtful debt provision.
- A desktop valuation of buildings is being performed during the current year in line with the LJMU policy for revaluation. A full property valuation will take place during the 2014/15 year. As there are changes forecast to happen over the next several years, it is expected that there may be some 'impairments' to be recognised in the 2012/13 year. These will have an impact on the forecast surplus compared to the half year. They will have no cash impact and are accounting entries only. It is anticipated that the changes due to the revaluation will result in c£2.4m charge to the Profit & Loss (P&L) statement.

- There is a small amount of flexibility in the Forecast for 2012/13, which may alter the final surplus. Opportunities to improve upon the forecast are as follows:
 - The final fee income value for the year may still be in excess of the forecasted value. However, in view of the level of late withdrawals in earlier years, a prudent view is currently being taken.
 - Additional Faculty and Service savings and additional third income stream receipts.
- However, there are also a number of risks to the delivery of the forecast:
 - Dilapidations charge on leased building.
 - Delivery of third income streams. A number of these are delivered over the summer. If there is a shortfall, this will adversely affect the outturn forecast.
- Cash Balances and Bank Covenants: The current bank covenants require the University to generate sufficient cash to meet its loan and finance charge obligations, and also to have debt service levels below a specific percentage of income. The University forecast out turn for 2012/13 comfortably meets, and exceeds, all of Barclays Bank covenant requirements.

It was **reported** that in respect of the 2012/13 Budget:

- While the 2013/14 Budget delivers an equivalent surplus to that forecast for 2012/13, significant elements of the 2012/13 forecast surplus have been delivered on a one off basis. Thus, different means of delivering the surplus budgeted for 2013/14 have been incorporated into the plans that underpin that budget.
- There continues to be upward pressures on the cost base of the University. These are primarily due to payroll pressures (incremental growth, pay awards and a one-off step increase due to pension auto-enrolment). Also, to decisions taken to invest in staffing to ensure that an appropriate student experience is delivered in the context of the £9k fee regime.
- There is also a residual level of uncertainty regarding the level of Higher Education Funding Council for England (HEFCE) funding. This arises because HEFCE is funded from April to March but HEFCE fund institutions from August to July. HEFCE thus have to make assumptions about their level of funding as it is only known until March 2014. The University budget assumes that there will be no reductions in the HEFCE funding from April 2014, which covers the last 4 months of the financial year for which the base budget is being set. Whilst the financial impact

of changes to the HEFCE funding is reducing it is still of significant value.

- The proposals in the budget are intended to underpin the LJMU Strategic Framework and will provide a strong strategic basis on which to build and move forward.
- The University has created a staffing 'establishment' in order to enable the effective management of the largest component of the University's cost base. This has also been used as the basis for directing changes in the staffing mix. There is a strong focus on investing in academic staff to enhance Staff to Student ratios (SSRs) and improve research capabilities. Also, on increasing the amounts spent on the student offer. This is accompanied by targeted cost savings in administrative and non-pay budgets. The budget will therefore enable the University to be equipped and prepared for the Institution to continue to improve and deliver the strategic plan. This includes enhanced student support, SSRs, and the development of high class facilities as a result of the capital plans to date.
- The desired budget objective is to provide appropriate teaching and learning and research facilities for an improved student experience. The University needs to generate sufficient capacity in order to finance strategic objectives, to ensure the University is in a position to attract students reliably and deliver a learning experience which is consistent with a fee of £9k. In accordance with this requirement, the University has set a budget which allows for the continued reduction from HEFCE and delivers a surplus.
- The critical assumptions for the University were listed as: a further reduction of £13.8m in HEFCE recurrent funding; Home/EU student tuition fees of £9k for all new admissions; an increase of £20.5m in Home/EU/International student tuition fees; to further improve the academic staff FTEs by 19 leading to improved SSRs within each of the faculties; additional funds provided to enhance the student offer; savings targets of £1.4m placed on the Faculties and Divisions will need to be delivered; savings targets embedded in the 2012/13 budget will endure; £7.2m for student bursaries and scholarships, which includes the National Scholarship Programme for the second year, incorporating funding of £1.4m from HEFCE and £1.4m from the University; the 2012/13 pay settlement was 1.0% - the current offer from UCEA for the 2013/14 year is 1.0% and this is provided within the budget – in addition the provision includes the anticipated increase in pension contributions; and, the £3m value booked for FRS17 in 2012/13 has been used in the budget.
- The student recruitment targets ensure that LJMU remains within HEFCE's tolerance band for funding allowing for the

ABB+ students. In cash terms, the income target for the year is increased in line with the increase in the tuition fee of £9k for both the returning 2012/13 students and new 2013/14 students.

- Funding for all staff costs including core, institutional, REF, collaborative, commercial and enterprise are now given to the faculties. The faculties in turn must ensure that the third income stream contributes to at least the same levels to enable the continuation of these posts. These income streams include enterprise activities, research overheads and collaborative activity.
- The key risks that impact upon the budget delivery are: failure to recruit to target and at assumed fees; there may be further reductions in HEFCE, TDA and NHS funds in 2013/14 as part of the spending review in June 2013; the University's cost base may increase through inflationary pressures; potential reduction in overseas income due to league tables, border controls and exchange rates; failure to achieve income streams, particularly Public Sector funding; failure to meet savings targets; inability to invest in strategic development; strategic plan targets not achieved; uncertainty of significant cost elements e.g. bursaries and pay award; and, the impact of League Tables on recruitment targets.
- The key opportunities that impact on the budget delivery are: Strategic investment fund available for development of strategic objectives; market and promote LJMU to desired level of student recruitment for 2013/14 and 2014/15; delivery of service, in both faculties and services, arising from the increase in staff numbers for SSRs and strategic research posts; further savings from review of specific expenditure lines and areas across the University; and, better utilisation of IT.
- Under the assumptions contained in the 2013/14 budget, the University will not be in breach of its covenants but must review the situation continually and carefully.
- Income: Teaching Funding in 2012/13 of £41.4m has been reduced significantly by £13.8m (33%) down to £27.6m for the 2013/14 year. This is the second part of the change to the higher education funding regime which was a significant reduction of £16.8m (29%) from 2011/12 to 2012/13. This was in addition to the public sector funding cuts introduced in the 2011/12 funding year which saw an initial drop of £4.1m (6.6%) 2011/12.
- Research funding is based on the specific research carried out within faculties. This has reduced by £0.12m (3.0%). Funds will be allocated in 2013/14 based on the specific ongoing requirements within the faculties. The results of the Research

Excellence Framework (REF) submissions will not be known or have an impact on the funding until 2015.

- 'Earmarked' revenue funding which HEFCE provided is now rolled into core funding. The only exception is HEIF (Higher Education Innovation Fund). As previously informed by HEFCE, the HEIF funding remains unchanged at £1.94m.
- In 2011/12, the University received 'moderation funding' of £1.8m for the second time. This was provided by HEFCE specifically as the University was considered an institution which had received significant reductions in funding and was a short term measure, intended to support actions that will enable an institution to secure change and manage the transition to lower funding levels. As expected this has been cut completely from the funding for the 2012/13 year and was not expected to be reinstated.
- The grant received from the TDA for 2013/14 will be reduced to £0.8m, a further decrease from 2012/13 of £1.0m with a corresponding reduction in student numbers. The future of the TDA and related earmarked funding continues to be uncertain for the following years with sector consultations and additional information ongoing. The TDA targets are quite specific against particular programmes, unlike the HEFCE targets. TDA also allocate specific earmarked funding in a number of areas.
- The NHS funding of £10m in 2012/13 is expected to be maintained, based on the contracts known to remain in place for 2013/14.
- Tuition fees for 2013/14 are based upon current applications, expected conversions and the target student numbers, incorporating the higher tuition fee of £9k. The income in the budget of £105.3m is comprised of Home/EU fees of £98.3m (an increase of £20.5m above 2012/13 budget) and overseas fees of £7.0m (a decrease of £0.7m below the 2012/13 budget).
- Expenditure: Significant detailed analysis of the staffing establishment, the need to continue to improve the SSRs, incremental drift and pay awards have resulted in an additional requirement of £3.2m in the 2013/14 budget. These are to be partly funded through known expected savings in some areas and the use of commercial surpluses within the faculties. Faculty administration and technical pay budgets have been targeted with savings of £0.6m.
- Faculty Budgets: As student demands change, so do the resourcing requirements for faculties. This is evidenced through an additional increase in the allocation for the new cohort of students under the changed fee structure. In addition to the £1.8m funds in 2012/13 a further £300k has been made

available to enhance the student offer through student trips, equipment and materials. A specific central capital budget for equipment and technology purchases remains in use alongside the changes to the capitalisation limit introduced in 2012/13.

- PVC/Division Budgets: A number of savings across all Divisions have been identified which include estates changes due to relocation from buildings to enhance the creation of the University Village. This is in addition to some Divisional structural changes. It is accepted that some areas also require investment. The new PVCs will be in place during the year and some funding has been allocated for each area.
- Institutional Budgets: The Fuel, Light and Power budget requires careful management due to the increasing requirements of the University. However, savings targets of £0.4m have been identified for 2013/14. A contract has been in place from August 2012 being at higher fuel prices after the 2 year fixed price contract ended in July 2012. The University still needs to invest as part of its carbon management reduction plan and the proposed budget allows for this to happen.
- The contribution to LiverpoolSU in 2012/13 was £1,128k and this will remain the same for the 2013/14 year. In addition, the print credits will continue to be issued to all new student cards.
- Funding for new initiatives such as apprenticeships, post graduate fellowships and underwriting the estate master planning has been established. These are in addition to the LJMU funded internships and the increased levels associated with the continuation of the Lifestyles Agreement.
- As in previous years, a Contingency Fund has been created for: further strategic investments; pay award, inflation and pension contribution increases; staffing related costs – conversion of agency staff to establishment posts; and general contingency items and unforeseen circumstances.
- The Board is aware that draw downs of £20m took place in August 2009, £10m in August 2010 and a further draw down of £10m in August 2011. The original terms of the £60m loan facility the University has with Barclays Bank was that the final £20m would be drawn down by 28th May 2013 or the opportunity to utilise the loan would be lost. The bank has previously agreed in principle for the facility to be extended by a period of up to 6 months to 28th November 2013. The offer by Barclays Bank has now been made to extend this facility for a full 4 year period to 28th May 2017. The extension would not impact upon the final maturity of the facility which would remain 28th May 2038. All other terms would remain unchanged and the University would continue to pay the non-utilisation fee on the undrawn facility at the same rate £0.75% p.a.) A separate paper for the Board of

Governors detailing the changes proposed through a letter of variation has been prepared and is submitted for approval as a separate item on today's agenda (see Minute LJMU 13.36 below). Rates have been fixed on the current loans, but Interest Payable will remain approximately the same as the current £3.0m as per the outturn forecast for 2012/13 as there is no expected increase in the loan during 2013/14.

It was **reported** that in respect of the future, 2014/15 onwards:

- The Board will be aware that HEFCE determined that the financial forecast submission was changed from December 2012 to 31st July 2013. This was partially based on the continued changes and uncertainty surrounding the government and HEFCE funding and it is therefore decided that a better and sound basis for forecasts could be determined later in the first of the new fee regime year.
- The actions taken by the University through previous years and the current 2012/13 year provide a strong basis on which to move forward into later years, with the University ensuring that its staffing and associated costs deliver improved SSRs and the objectives for the strategic plans of 2012-17.
- Income and Expenditure: The income and expenditure forecast is based on a simple roll forward of the budget for 2013/14. This assumes a continuation of the £9k fee base for Home/EU students and achievement of the 2013/14 student control numbers in each of the successive years. This may be an overly positive assumption as the University may lose further students due to unexpected retention levels and ABB places, or simply due to lack of student uptake of available places. It is not possible to forecast this with any certainty at present as although nearing completion of the first new fee regime year and positive trends in applications this cannot be absolutely assured. Also, there is a large cohort of students flowing through the period 2011/12 to 2013/14 who will leave in 2014/15.
- Offsetting this, the decision to invest in over 50 additional academic roles to improve SSRs and consequent league table positions should make LJMU more attractive to students. The forecast also assumes no significant increase in research income arising as a result of appointments to over 40 strategic research roles. This is a conservative assumption.
- Cash Flow: The cash flow forecast demonstrates year on year improvements in cash balances during the period 2013/14 to 2015/16. The improved opening 2012/13 cash balance of £38m has enabled the University to meet its banking covenants but, while there are positive cash balances at each year end, changes in the timing of income receipts will put pressure on bank balances in the autumn and spring each year. There may be a need for an additional short term draw down on the loan

facility in place with Barclays Bank. The Bank is aware of the possibility and a revolving credit facility is in place. Monitoring will continue throughout the years.

- The development of the next phase of the Estate Master Plan continues. The forecast thus assumes at a high level that significant additional capital investment will occur during the period 2014/15 to 2015/16.
- As part of the Estate Master Planning process the forecast will be revisited and monitored throughout the 2013/14 year. The improved cash balances, combined with the possible sales of further properties and draw down of the additional loan facility of £20m will be factored into a consideration of the affordability and delivery of a new Estate Master Plan.

It was **commented** that:

- The Chairman of the Board advised the Board that this report was considered in detail at the Finance Committee on 17th June 2013. He commended the work that had gone into this and the excellent summary, recognising that it is difficult to approve a base budget for 2013/14 when inevitably there are a number of funding uncertainties.
- The Finance Director & Deputy Chief Executive advised the Board that ongoing scenario modelling is taking place around student numbers recognising that, simplistically, a loss of 100 students is a loss of £1m to the University and conversely recruiting 100 students is a gain of £1m to the University.

The Board **noted**:

- The University forecast outturn for 2012/13.
- The University budget for 2013/14 as approved by the SMT and ratified by Finance Committee on 17th June 2013.
- The block grant contribution to LiverpoolSU of £1,128k in 2013/14, which remains the same as 2012/13.
- The actions taken thus far by the Vice-Chancellor & Chief Executive and the SMT in determining the future shape and direction of the University from 2013/14 onwards.

LJMU 13.31

CONNECTED UNIVERSITY CAMPUS

The Board **received** an oral update from the Vice- Chancellor & Chief Executive.

It was **reported** that:

- At the last Board meeting some Governors had intimated that the concept of a 'University Village' may appear too parochial to the international agenda and that this may need further consideration. The Vice-Chancellor & Chief Executive advised that this had been reconsidered and the University had consulted further internally and externally and had received positive comments and feedback for the concept of a 'University Village'. The University had also received positive feedback on the prospectus from Liverpool City Council's Chief Executive, HEFCE, and the Liverpool Enterprise Partnership who all endorsed the vision and the ambition of the University.
- The Vice-Chancellor & Chief Executive advised that the Copperas Hill Project was going forward with project planning/management in line with Prince 2 principles for Project Management. A Master Plan tendering document had been produced for engaging external advisers. The University was pleased that arrangements were in place for the acquisition of the land and that the covenant for restricted use had been lifted.
- This minute has been removed under the terms of the Freedom of Information Act, Section 23, Commercial Sensitivity. Governors may request a full copy of the minute which will become publicly available when no longer commercially sensitive. You may request further information from the University's Secretariat at secretariat@ljam.ac.uk.
- This minute has been removed under the terms of the Freedom of Information Act, Section 23, Commercial Sensitivity. Governors may request a full copy of the minute which will become publicly available when no longer commercially sensitive. You may request further information from the University's Secretariat at secretariat@ljam.ac.uk.

It was **commented** that:

- This minute has been removed under the terms of the Freedom of Information Act, Section 23, Commercial Sensitivity. Governors may request a full copy of the minute which will become publicly available when no longer commercially sensitive. You may request further information from the University's Secretariat at secretariat@ljam.ac.uk.
- The Chairman advised that there is no immediate need for members of the Steering Group as the consultancy phase for the Copperas Hill project will not be completed until late November/early December to coincide with the Governors' December Workshop. He had spoken to the Chairman of the Liverpool Enterprise Partnership to seek assistance for an appropriate member of the Steering Group with property/construction expertise.

- The Nominations Committee would re-visit the membership of the Steering Group at its next meeting so that the Group will be established before the consultants' feedback.
- The Student Governor requested student representation on the Steering Group. The Vice-Chancellor advised that there will be student representation on the Programme Board and this was felt to be a more appropriate and effective use of student representation.

The Board **noted** the Vice-Chancellor & Chief Executive's oral update.

LJMU 13.32 **DRAFT ESTATE STRATEGY 2013-2023**

The Board **received for approval** the draft report of the Strategy Management Director (LJMU 13/20).

It was **reported** that:

- After the last Governors' Workshop held on 30th/31st January 2013 it was agreed that, in addition to more detailed work specific to the proposed Copperas Hill Development, to produce a wider Estate Strategy specifically linked to the delivery of the University's Strategic Framework 2012-17.
- The document provided to the Board is intended for an internal and external audience, with the purpose of explaining in broad terms the strategic context for the future development and maintenance of the estate; the facilities and services related to the estate; and the social environment impact of the estate. It is not a substitute for detailed and comprehensive Master Plans or Project Plans associated with individual component initiatives.
- LJMU has an exciting and ambitious vision 'to be recognised as a modern civic University delivering solutions to the challenges of the 21st century'. This vision is supported by a comprehensive route-map as defined by the University's Strategic Framework for 2012 to 2017.
- In delivering the Strategic Framework, LJMU has a stated objective to pursue relentlessly excellence and quality in everything we do. The University needs to offer excellent space for its academic activities, have a positive impact on the City, and deliver real improvement in environmental sustainability. This requires significant attention to the development and maintenance of the University's estate, the management of its facilities, infrastructure and estate support services, and the social environmental impact of its operations.

- The Estates Strategy sets out how the University will develop and manage its campus in support of these needs over the ten years to 2023. Moreover, it builds on the University's stated aim to be an exemplar modern city based campus by creating a broader vision for a 'Connected University Village'. The Village will be: imaginative and ambitious; flexible to meet changing educational and social demands; sustainable with minimal carbon footprint; a campus connected and integrated within the city; accessible to LJMU students, meeting their aspirations; welcoming to the public, inspiring the wider communities; a hub for knowledge transfer to business and the community; and a visible exemplar of the University's civic and cultural contribution.
- In realising the University's ambition for a connected university village, LJMU will combine the best from a campus based environment with the best from a city based campus to realise an exemplar campus for a 'Modern Civic University'.
- A full copy of the draft Estate Strategy is available from the Secretariat.

It was **commented** that:

- Governors advised that it would be a valuable exercise to provide a history of the University and its achievements to further engage the Community. The Vice-Chancellor & Chief Executive welcomed comments from Governors in assisting the University to promote itself.
- The University would participate fully in next year's International Festival of Business and the Pro-Vice-Chancellor (External Engagement) will be coordinating the University's approach across the University.
- The Chairman also felt that engaging the Community was not a matter solely for the University, but that partners should also assist. The Chairman welcomed the efforts to secure European Funding in this respect.

The Board **approved** the draft Strategy.

LJMU 13.33 **PERFORMANCE MONITORING**

It was **reported** that:

- The Vice-Chancellor & Chief Executive led a discussion on performance monitoring, engaging the Board on their thoughts around monthly KPIs and what the Board felt would be relevant to the Board's areas of responsibility.

- The Vice-Chancellor & Chief Executive had previously led similar discussions with the Audit, Employment and Finance Committees.
- It had been proposed that SMT monitor monthly Key Performance Indicators as lead indicators of the annual Key Performance Outcomes. SMT will monitor, discuss, compare with trends, and benchmark to see if any actions are necessary. Guidance is sought from the Board and its Committees regarding providing information in relation to the monthly KPIs in summary form.

It was **commented** that:

- Governors felt it was important to receive timely indicators in relation to student numbers with some information on what drives students to come to LJMU.
- Governors felt that they did not wish to “get lost in the detail” and would therefore like to see key information in a format that Governors could easily understand and contribute to.
- The Vice-Chancellor & Chief Executive assured the Board that the focus would be around delivery of the Strategic Framework and key business. The Director of Strategy Management also assured the Board that KPIs with significant outcomes only would be presented to the Board.
- The Board was also assured that KPIs were explicitly linked to the Risk Register.

The Board **noted** the Vice-Chancellor & Chief Executive's comments.

LJMU 13.34 **NSS/LEAGUE TABLES**

The Board **received** the report and presentation of the Registrar & Deputy Chief Executive (LJMU 13/21).

It was **reported** that:

- The report provided an overview of the University's league performance in the tables released in the first half of 2013: The Complete University Guide (CUG); The Guardian; the Times Higher Top 100 Under 50; and The People and Planet Green League.
- In 2013 LJMU continues to perform well across the four league tables. In the established 'traditional' national league tables; The CUG and The Guardian, LJMU has continued to improve its position in the rankings. For the Green League the University continues to be in the 'First Class Award' category; and following

the first publication of the Times Higher Education Top 100 Under 50 in 2012, LJMU has continued to be ranked as one of the 100 best 'young' institutions in the world.

- The Guardian: LJMU improved its ranking by 29 places, moving up from 98th to 69th of 119 institutions. This was the third largest improvement nationally. LJMU is now ranked above Edge Hill (70th) as well as Manchester Met (93rd) of its local peers. The gap is closing between LJMU and the University of Liverpool (15 places from 53 place in 2013) and Chester (23 places from 46 places in 2013).
- Aside from expenditure and SSR, LJMU has improved its score in every measure. Despite the drops in score the expenditure ranking has stayed stable and the SSR ranking has improved.
- LJMU's best ranking measures are: Value Added and NSS Feedback, ranking 13th and 17th. The largest rank improvements are: NSS Feedback (59 places); Value Added (44 places); Career Prospects (28 places); and NSS Teaching (21 places). These are the measures that helped create LJMU's large jump in overall ranking. LJMU's lowest ranking measure is SSR then NSS Overall and NSS Teaching.
- Complete University Guide: LJMU has improved its overall ranking moving from 90th to 82nd of 124 institutions (an increase of 8 places). Of local peers LJMU continues to be ranked above Edge Hill and now also Manchester Met.
- LJMU has improved its score in most measures except: SSR (drop of 0.1); Academic Services Spend; and Facilities Spend.
- For both Research Assessment and Completion the scores have stayed the same but the ranking dropped (13 places for Completion). For Completion especially, this indicates a continuing upward trajectory of scores year-on-year across the sector.
- LJMU's score improvements have been in: Entry (29 places); Graduate prospects (20 places); Good Honours (18 places); and Student satisfaction (12 places).
- LJMU's Academic Spend ranking dropped by 10 places and Facilities Spend dropped by 12 places. SSR dropped by 3 places.
- The Times Higher Top 100 under 50: LJMU is ranked 88th of 100 institutions, a fall of 16 places from 72nd. Despite its overall ranking drop LJMU has improved its scores across the board. This appears to be in keeping with the UK trend – although the UK has more institutions in the table than any other country,

there has been a drop from 20 UK institutions to 18. Of the UK institutions LJMU is ranked 15th of 18. Last year it was 16th of 20.

- The People & Planet Green League Table: Of 143 institutions LJMU was ranked 39th. This is a drop of 18 places but still remains in the 'First Class Award' section. LJMU improved its Performance score but the Policy score had dropped from 2012. LJMU's best score is for Waste Reduction and Recycling, scoring 7/8. LJMU could improve its Sustainability Education and Learning scoring which was 0 out of 3.

It was **commented** that:

- The Registrar & Deputy Chief Executive informed the Board that the NSS results would be due in early August and that the University was in the process of preparing its HESA Return which also provides an indicator for the NSS. Early indications have shown that the University has increased its Good Honours from 61% to 65%.
- The Registrar & Deputy Chief Executive also informed the Board that the Times Higher League Table will no longer be published and that the Times Higher and the Sunday Times would merge and report in late August.
- It was noted that LJMU's overall improved position has not gone unnoticed across the sector.
- Governors congratulated staff for their hard work and also the significant contribution of LiverpoolSU in improving the University's overall league position.
- Governors recognised the impact of the ranking for Research Assessment and Completion and that staff need to ensure they learn from the University's 'beacons of excellence' and maintain the University's world ranking.
- The Vice-Chancellor and Chief Executive advised that a number of specific areas within the University had done a sterling job, but for particular highlighting the Department of English should be commended for its phenomenal performance (28th) in what is an incredibly competitive discipline.
- The Chairman welcomed the excellent results with a caveat that the University must continue to improve and keep the momentum going.
- The Vice-Chancellor & Chief Executive advised that the University would now need to embed the improvements made so that they become part of the culture of the University and then move on to more qualitative improvements.

The Board **noted** that the University continues to perform well across the four league tables.

LJMU 13.35 **STUDENT ISSUES**

The Board **received** the presentation of the Vice-President (Activities) and the President-Elect of LiverpoolSU (LJMU 13/22).

It was **reported** that:

- LiverpoolSU introduced the new sabbatical officer team who are in post for 12 months from 6th July 2013. These are: Curtis Reid (President); Kate Wilkinson (Vice-President, Academic Quality); Dan Cole (Vice-President, Community Engagement); and Sam Davys (Vice-President, Activities).
- The Students' Union reported its top 10 priorities for students as: (1) assessment mapping to prevent congestion; (2) deadlines for assessment feedback adhering to the LJMU 15 day turn around policy; (3) clear and coherent timetables given out in good time before the start of term; (4) the organisation and support of group work; (5) clarity on reading and PDP (Personal Development Planning) weeks; (6) more external guest speakers with relevant industry expertise to aid preparedness for work; (7) creating a 'Change Liverpool' project to improve placements – more choice, sourcing support and pre-information on travel costs; (8) more seminars and small group learning; (9) effective use of Blackboard for teaching notes; and (10) improvements to the temperature control of rooms – particularly in the Tithebarn building.
- The winner of the 'Amazing Teacher Award 2013' was Spencer Kelly who teaches Architectural Technology in the School of the Built Environment. Spencer received a total of 38 separate nominations from his students.
- The Rate Your Landlord survey, run in partnership with Liverpool Hope University Students' Union and University of Liverpool has been running since 2011. Students are given the chance to have their say, either by completing the survey online or face to face with student staff around campus.
- Welcome Fest 2013: The Union will once again welcome students to Liverpool at the September Welcome Fest. It will be holding a full week of welcome fayres where students can join sports teams and societies and find local information they may need regarding GPs and Council services and facilities.
- Hall & Community Reps: To further assist students to "feel at home" the Union employs 50+ students as Hall and Community representatives. Their role is to visit students so students get to know a friendly face in their home; liaise in disputes with

neighbours; and seek to make students feel part of their community.

- Census: LiverpoolSU is seeking a change to its constitution that seeks to broaden the number and type of student who engages in the Union's democratic policy-making and contributions to change. A full report will be presented to the next Board of Governors at its September meeting.
- Text Service to students: LiverpoolSU is working with the University to improve communications to students in relation to prior warnings for cancelled or postponed lectures.
- Access Agreement: The Union has worked closely with the University's Student funding Manager to resolve some unclear guidance provided by HEFCE. This has led to a new way of implementing the National Scholarship Programme, allowing students to take some money from the subsidy provided for course fees towards student accommodation fees should students wish to do so.
- A map of student participation in LiverpoolSU activity: LiverpoolSU engages with LJMU students through various channels ranging from the Course Reps scheme to the Sports and Societies led by LiverpoolSU. The Union aims to reach out to all students, whether part time or full time, male or female, UK or International. It is now mapping out the demographic of its engagement with students which will assist with identifying those disengaged students and which will be essential to aid decision-making and the flow of resources in seeking new ways to engage a broader demographic
- Change Liverpool: This is an exciting year for the Change Liverpool Project with the revitalising of the academic representative scheme project due for completion and LiverpoolSU leading on a project to create videos from Further Education colleges across the City to look at their expectations of Higher Education when they come to University. The project is funded by the Higher Education Academy and is an ambitious problem-solving framework which includes academics and students as equal stakeholders in the solution. As more projects come on line it will be exciting to see how this work is further disseminated as best practice across LJMU.

It was **commented** that:

- The Students' Union worked closely with the University's Advice and Wellbeing Team to assist with the health and wellbeing of students seeking support.

- LiverpoolSU will now conduct further work, in partnership with the University, on creating action plans to ensure its 'Top 10 Priorities' are met.
- The Chairman thanked the Student Governors for their important presentation which assisted the Board to understand better the student experience. The Chairman welcomed the incoming team and also thanked Tom Aldus and Paul Abernethy for their excellent contribution and feedback to Governors over the last year.

The Board **received and noted** the report and presentation from the Vice-President (Activities) and the President-Elect, LiverpoolSU.

LJMU 13.36

BARCLAYS BANK REVOLVING CREDIT FACILITY – LETTER OF VARIATION

The Board **received** the report of the Finance Director & Deputy Chief Executive (LJMU 13/23).

It was **reported** that:

- Sir Malcolm Thornton and Professor Michael Brown, on behalf of Liverpool John Moors University, signed (on 28th May 2009) the £60m Loan Facility Agreement with Barclays Bank. Letters of Variation to the agreement have been signed on behalf of Liverpool John Moores University by Sir Malcolm Thornton and Professor Michael Brown on 5th July 2010 and by Sir Malcolm Thornton and Professor Nigel Weatherill on 19th November 2012.
- The Loan Facility Agreement and subsequent Letters of Variation included the drawdown of £40m and a revolving credit facility of £20m with an end date of 28th May 2013. The University has not needed to utilise the credit facility up to this point, however, it recognises that in order to develop and assist in the realisation of the University's estate strategy, additional resources may be required in future years.
- In order to accommodate the possible future resource needs the University has negotiated with Barclays Bank an extension to the Revolving Credit and Loan Facility which incorporates the same terms and conditions that existed in the original agreement. This is an excellent outcome for the University, as banks now offer considerably shorter loan terms on all new agreements. Should the University drawdown the additional £20m it may do so on a revolving credit basis for a minimum period of 3 months or to the maximum period to 2038.
- Barclays Bank has offered an extension of the Revolving Credit Facility from 28th May 2013 to 28th May 2017.

- The Bank has signed a proposed Letter of Variation, a copy of which was provided to the Board with a requirement for it to be signed by the Chairman of the Board and the Vice-Chancellor & Chief Executive with an additional requirement for a Formal Minute also to be signed by the Chairman of the Board and the Vice-Chancellor & Chief Executive.
- The Formal Minute, stipulated below, was duly signed by the Chairman of the Board and the Vice-Chancellor & Chief Executive:

Formal Minute:

“At a meeting of the Board of Governors of Liverpool John Moores University (the “University”) held:

On 1st July 2013

There was produced to the meeting a letter of variation (“Letter of Variation”) from Barclays Bank PLC (the “Bank”) to the University setting out the amendments to the facility agreement between the Bank and the University (as Borrower) dated 28th May 2009 (as varied from time to time prior to the date of the Letter of Variation) and pursuant to which the Bank made the Facility (as defined therein) available to the University as Borrower.

IT WAS RESOLVED

1. That the amendments set out in the Letter of Variation are in the interests of and for the benefit of the University and are most likely to promote the success of the University for the benefit of the University and that such terms and conditions of the Letter of Variation be and are approved and accepted.
2. That Mr Rod Hill (Chairman) and Professor Nigel Weatherill (Vice-Chancellor and Chief Executive) are authorised to sign the Letter of Variation on behalf of the University to indicate acceptance of its terms.
3. That the University confirms to the Bank that the Facility Agreement and all other Finance Documents (as defined in the Facility Agreement) will remain in full force and effect and will continue to constitute legal, valid and binding obligations of the University enforceable in accordance with their terms (as amended or extended by the Letter of Variation) following the Letter of Variation.
4. That the Bank is authorised to act in all matters concerning the Facility as amended by the Letter of Variation upon the instruction from the University, in its capacity as Borrower under the Facility, signed in accordance with the Bank’s then current

mandate for any of the accounts of the University held with the Bank from time to time.

Certified to be a true extract from the minutes of a duly convened meeting of the Board of Governors validly held on the date shown above.”

The Board **endorsed** the recommendation of the Finance Committee and:

- **Noted and accepted** the extension to the revolving credit and loan facility through a Letter of Variation.
- **Noted and accepted** the change to the minimum length of the drawdown of the credit from one to three months in length.
- **Authorised** the Chairman of the Board and the Vice-Chancellor & Chief Executive to sign the Letter of Variation on behalf of the University.
- **Noted and agreed** the formal wording of the required minute and authorised the Chairman of the Board and the Vice-Chancellor and Chief Executive to sign the minute at the meeting on 1st July 2013.

LJMU 13.37 **COMMITTEE REPORTS**

The Board **received for noting** the draft minutes of the Committees.

Secretary’s Note: The Audit Committee Minutes of the meeting held on 18th March 2013 were tabled at the meeting. Some reports, due to the quick turn-round of meetings, and so that the Board had access to the most recent information, were still in draft form and open to amendments by individual committee members. The minutes were provided for information only and would be approved by the individual Committee members at their next meeting.

It was noted that the last Audit Committee took place on 24th June 2013 and therefore the minutes would be included with papers for the September Board of Governors Meeting.

Employment Committee minutes of 3rd June 2013 (LJMU 13/24)

It was **reported** that:

- The Chairman of Employment Committee advised the Board that the Committee had received the draft HR Strategy which had been developed to support and reinforce the University’s overall Strategic Plan in respect of Human Resources and to confirm the University’s commitment to being a good employer. It is clearly a statement of intent and ambition rather than a set of defined

actions, which will follow, and it is expected that it will take the lifetime of the plan to achieve all of the intentions.

- The Committee had also discussed incentives, reward and recognition and the University's potential approach in order to attract and retain excellent staff within a competitive environment, and performance monitoring in relation to what would be relevant KPIs for the Employment Committee's areas of responsibility.
- The Chairman also advised the Board that the government's latest Comprehensive Spending Review was unusual in that it was for a one year period and that Governors should be mindful of the need to monitor what will be happening in the next two to three years.

Finance Committee Minutes of 17th June 2013 (LJMU 13/25)

It was **reported** that:

- The Finance Committee had received the Forecast Outturn 2012/13, the budget 2013/14 and the Forecast for 2013/14 onwards. The Finance Committee considered and approved the base budget for 2013/14 and assured the Board that the University would not be at risk of breaching its banking covenants.
- The Committee had also received a detailed report on the progress of property and capital development, and discussed performance monitoring in relation to KPIs relevant to the Finance Committee.

Audit Committee Minutes of 18th March 2013 (Tabled Item)

It was **reported** that:

- The Audit Committee received a report from the Registrar & Deputy Chief Executive regarding progress made in relation to the Internal Audit Report on Data Security and Records Management, and was pleased to know that progress was being made.
- The Audit Committee had also received updates on ongoing work in relation to bribery, fraud and corruption procedures and was assured that the University was doing everything it could to ensure adequate procedures are in place to prevent bribery, fraud and corruption.
- The Committee also received the Procurement Services' annual report which updated the Committee on the progress the University was making to secure VFM (Value for Money) in purchasing and to encourage best practice arrangements and procurement.

- The Chairman of Audit Committee also advised that the Audit Committee, at its meeting on 27th June 2013, also discussed Performance Monitoring in the same vein as the other committees. The Minutes of this meeting would be available at the next Board of Governors in September 2013.

Nominations Committee Minutes of 17th June 2013

It was **reported** that:

- The Nominations Committee will continue to monitor succession planning in relation to the current vacancies and pay particular note to the skills gap and gender balance. The Vice-Chancellor had advised that there were a number of areas of relevant and current importance such as research scholarship; school education; internationalisation; and marketing as appropriate. Further updates will be provided to the Board of Governors'.

Action: Chairman and Nominations Committee

- The Committee also discussed the reinstatement of the position of Deputy Chairman which will be discussed as a separate Agenda item (see LJMU 13.38 below).
- The Chairman also advised that Mrs Kerry Byrne, Governor, had been appointed as Deputy Chairman of the Finance Committee.

Academic Board minutes of 11th March 2013 (LJMU 13/27)

The minutes were provided for information.

The Board **noted** the reports and **approved** Mrs Kerry Byrne as the Deputy Chairman of Finance Committee.

LJMU 13.38 **MEMBERSHIP AND GOVERNANCE ISSUES**

The Board **received** the oral report of the Chairman and the University Secretary & Deputy Chief Executive.

(a) Action Point LJMU 13.12 – Membership of the Steering Group.

It was **reported** that:

- This matter had been reported earlier in the agenda and minuted above (see LJMU 13.31 above).

(b) Election of the Deputy Chairman of the Board/Deputy Pro-Chancellor (LJMU 13/28)

It was **reported** that:

- The purpose of the report was to advise the Board of Governors that the process is due to begin in respect of the election of a Deputy Chairman of the Board of Governors.
- Although the University has a protocol and process for the appointment of an elected Deputy Chairman, this position has been filled in recent years by the Board's Committee Chairmen. After discussions with the Chairman of the Board and the Nominations Committee the protocol has now been reviewed and amended and will be sent to Board members as part of the 'Call for Nominations' package on 3rd July 2013.
- The Chairman of the Board has requested that the position of an elected Deputy Chairman be appointed to assist and support the Chairman in providing leadership to the University, through the governance arrangements, and also act as a 'sounding board' and confidante to the Chairman in the execution of his role.
- The Deputy Chairman will be elected from among existing Board members, as per the University's agreed procedures. Only Independent/External Governors are eligible to stand for the position of Deputy Chairman and only Independent/External Governors are eligible to vote in any election as per best practice and the guidance provided nationally by the Committee of University Chairs (CUC). However, to reflect LJMU's inclusive approach, other categories of Governor will be provided with information about candidature and will have the opportunity informally to enter into a dialogue with Independent/External Governors, should they wish.
- Any names for consideration must be nominated and seconded by Independent/External Governors and only put forward if the Nominee declares formally a willingness to stand.
- The term of office for the position of Deputy Chairman is 2 years only and is an independent position in that the postholder cannot also be the Chairman of any other Committee, other than the Remuneration Committee, nor will this be a precursor for the position of Chairman of the Board.
- Any Independent/External Governor coming to the end of their term of office and wishing to stand as Deputy Chairman will have their term of office extended to allow for the full 2 years as Deputy Chairman.
- When the 'Call for Nominations' is announced, full details about the University's process, the role of the Deputy Chairman, the

attributes/experience to be considered in proposing a Deputy Chairman and how nominations and voting works, will be circulated to all Governors.

- Nominees will be required to create an 'intentions statement' in which they outline their suitability and intentions for the role, should they be successful. These statements will be available for Governors in order to inform the choice they might make.
- In the event of only one Nominee, that person will be duly appointed without recourse to an election.
- The successful candidate will be approved at the next Board of Governors Meeting on 30th September 2013.

Action: Chairman and the University Secretary & Deputy Chief Executive.

- (c) To confirm for the record the appointment of Mrs Kerry Byrne as Deputy Chairman of Finance Committee

It was **reported** that:

- This matter had been reported earlier in the agenda and minuted above (see LJMU 13.37 above).

- (d) Changes to the Academic Board Membership for **approval**

It was **reported** that:

- The Academic Board Committee Secretary advised the Board that some minor amendments to the membership of the Academic Board needed to be made to align with the new organisational structure.
- There is an increase of one Member to the Professoriat category and the reduction by one Member of the Non-Teaching Staff category.
- The Director of Research to become an Ex Officio Member and the Director of Library Services to become an Attendee.

The Board **noted** the reports and **approved** the minor amendments to the membership of the Academic Board.

LJMU 13.39 **ANNUAL REPORT OF THE SCHOLARSHIP BOARD 2011/12**

The Board **received** the report of the Strategy Management Director (LJMU 13/29).

It was **reported** that:

- The Scholarship Board, as required by the Board and the SMT, had monitored and reviewed the policy framework for the allocation of bursaries and scholarships to ensure that funds were allocated fairly, consistently, and where appropriate, in line with donor wishes, provided these supported University policy.

The Board **noted** the report.

LJMU 13.40 **PROGRAMME OF BUSINESS 2013/14**

The Board **noted** for information the programme of business for the Board and its main committees for the academic year 2012/13.

LJMU 13.41 **LIVERPOOLSU RETURNING OFFICER'S REPORT**

The Board **received** the Returning Officer's Report (LJMU 13/31).

It was **reported** that:

- Section 22 of the Education Act 1994 gives responsibility to Governors for oversight of the proper conduct of the Students' Union.
- The Board received the signed report from the NUS Returning Officer and his declaration that the elections held on 15th March 2013 had been run in a fair and democratic manner, which satisfies the directions stipulated within the 1994 Education Act.

The Board **noted** the Returning Officer's Report.

LJMU 13.42 **BOARD LEVEL AUTHORISATION**

The Board **noted for information** the report on the use of the University Seal and Board Level Authorisation (LJMU 13/32).

LJMU 13.43 **ANY OTHER BUSINESS**

It was **reported** that:

- The Vice-Chancellor had sought approval from the Board of Governors, by email dated 6th June 2013, for the naming of the Art and Design Academy building after John Lennon, to be named 'The John Lennon Art and Design Building'. Approval was duly received from Governors and this minute formally records the Board's approval in this respect.
- The Chairman of the Board advised members that this was the last meeting for: Mr Tom Aldus, Student Governor; Dr Patricia Livsey, Academic Board Nominee; Ms Claire Dove, OBE,

Independent Governor; and Mr John Carson, Independent Governor.

- The Chairman gave a short speech and presented a small gift from the University to the outgoing Governors and thanked them for their service and commitment to the University, wishing them well for the future.
- Mr John Carson, Governor, responded in that he has enjoyed the last 10 years serving as a Governor and it had been a privilege to see the incredible expansion of LJMU and to work with colleagues across the University and Board members. Mr Carson felt that an important factor in the University's development had been a good balance between continuation of experienced leaders in the University and new blood.
- Ms Claire Dove, Governor, responded in that she had found it a great opportunity to be a member of the Board and that she found the University to be bold, innovative and entrepreneurial with a real commitment to under-represented groups of students. She would continue to be a positive ambassador for the University.

LJMU 13.44 **DATE OF NEXT MEETING**

Monday 30th September 2013 at 5.00pm.

LIVERPOOL JOHN MOORES UNIVERSITY

BOARD OF GOVERNORS

Action Point Control Register – Status of Open Action Points as at 30th September 2013

Minute	Action	By Whom	By When	Status
LJMU 13.07	<u>'A Prospectus for The Connected University Village embedded in a Great City'</u> : The concept of a 'University Village' may appear too parochial to the international agenda and this may need further consideration.	Vice-Chancellor	1st July 2013	Discharged
LJMU 13.12 and LJMU13.27 and 13.31	<u>Governance Arrangements:</u> It is proposed that the new Chairman will set up a Steering Group comprising of the Chairman and one or two Governors, and with the ability to co-opt expertise onto the Steering Group at different stages of the project, depending upon the expertise required at that time. The new Chairman will invite two or three people from the Board of Governors who he feels will have the relevant experience and availability, and therefore be best placed to be a member of the Steering Group.	Chairman and University Secretary & Deputy Chief Executive	18 th November 2013	Active
LJMU 13.37	<u>Committee Reports – Nominations Committee:</u> The Nominations Committee will continue to monitor succession planning in relation to the current vacancies and pay particular note to the skills gap and gender balance. The Vice-Chancellor had advised that there were a number of areas of relevant and current importance such as research scholarship; school education; internationalisation; and marketing. A further update will be provided to the Board of Governors.	Chairman and the Nominations Committee	As necessary and appropriate candidates available.	New

Minute	Action	By Whom	By When	Status
LJMU 13.38	<p><u>Membership & Governance Issues – Election of the Deputy Chairman of the Board/Deputy Pro-Chancellor:</u> The outcome of the election will be approved at the next Board of Governors Meeting.</p>	Chairman and the University Secretary & Deputy Chief Executive	30 th September 2013	New