

Key abbreviations/acronyms used in these Minutes:

HESA	Higher Education Statistics Agency
FTE	Full Time Equivalent
SMT	Strategic Management Team
BID	Business Improvement District
HESA	Higher Education Statistics Agency
HEFCE	Higher Education Funding Council for England
LEP	Local Enterprise Partnership

Papers: You can request a copy of the reports to which reference is made below from the Manager, Secretariat: Tel: 0151 231 3116 or email: secretariat@ljmu.ac.uk [please note some information is marked as *Restricted Business which will not be available to the public*].

PRESENT: Mr R Hill (Chairman)
Ms D Shackleton (Deputy Chairman)
Ms N Benson
Mrs K Byrne
Mr D Cole
Ms S Davys
Mrs D Fantin
Mr P Holme
Mr P Hyland
Sir B Massie
Mr B McCann
Ms J Murphy
Professor N Weatherill

IN ATTENDANCE: Professor A Al-Shamma'a (Dean, Faculty of Technology & Environment)
Ms J Bertolini (Finance Director & Deputy Chief Executive)
Mr P Evans (Strategy Management Director)
Dr E Harcourt (Pro-Vice-Chancellor, External Engagement)
Professor R Leatherbarrow (Pro-Vice-Chancellor, Scholarship, Research & Knowledge Transfer)
Mr M Power (Registrar & Deputy Chief Executive)
Mr R Schooler (Head of Financial Planning & Modelling) (Items 8 and 9 only)
Ms D Tipping (Meeting Secretary)
Professor R Webster (Dean, Faculty of Arts, Professional and Social Studies)
Professor P Wheeler (Dean, Faculty of Science)

LJMU 14.21 **WELCOME**

On behalf of the Board, the Chairman welcomed Ms S Davys, the newly-elected President of the Students' Union and Mr D Cole, Vice-President, Community Engagement, LiverpoolSU in his second year as Student Governor.

The Chairman also welcomed Mr R Schooler (Head of Financial Planning & Modelling) who would be attending the Board meeting for items 8 and 9 on the agenda, and Professor A Al-Shamma'a, the newly appointed Dean of the Faculty of Technology & Environment.

The Chairman also congratulated Ms J Murphy on the Knighthood of her husband, Chief Constable John Murphy.

LJMU 14.22 **APOLOGIES**

Apologies for absence were received from Mr A Holroyd, Ms S MacLennan, Mr G Morris, Mr J Stopforth and Professor P Byers.

Preliminary Formal Business

LJMU 14.23 **DECLARATION OF INTERESTS**

Any member of the Board who had (or who knew of a family member who had) a material, personal, financial or other beneficial interest in any item on the Agenda was requested to declare that interest at the beginning of the meeting, or to the Chairman prior to the meeting, in order that such declaration could be recorded in these Minutes. No such interest was declared.

Noted.

LJMU 14.24. **MINUTES OF THE MEETING HELD ON 31st MARCH 2014**
(LJMU 14/23)

Approved

LJMU 14.25 **MATTERS ARISING FROM THE MINUTES**

Action Point LJMU 14.05(ii) International Strategy Review

- The Strategy Management Director informed the Board that at the last meeting of the Board it was agreed that there should be an appropriate measure to ensure that the quality of intake for international students would not be compromised to increase recruitment.
- This measure was being considered currently, with the most likely indicator being the standard of English international

students have when they come to the University. Other measures would also be taken into consideration, such as the NSS satisfaction rates of international students, and the degree outcomes for international students. These will be reported in the Annual Strategy Report which will be received by the Board in November.

Noted.

LJMU 14.26 **HEALTH AND SAFETY MATTERS (standard item)**

- No current issues raised. The Chairman reminded the Board that the Minutes of the Health & Safety Committee are received by the Employment Committee.

Noted.

LJMU 14.27 **BOARD LEVEL AUTHORISATIONS**

Received: The report on the use of the University Seal and Board Level Authorisation (LJMU 14/24).

Noted.

Matters for discussion

LJMU 14.28 **2012/13 HESA RETURN STAFF FTE AND STAFF COST ANALYSIS**

Received: The report of the Finance Director & Deputy Chief Executive (LJMU 14/25).

Reported:

- The purpose of the report was to respond to the request made by the Board of Governors at its last meeting (Action Point 14.05(iii)) for information relating to staff costs attributable to academic and non-academic staff within the University.
- The report contained two charts: (1) 2012/13 HESA staff return displaying the staff FTE by HESA job role type; and (2) 2012/13 staff costs by HESA cost category.

Commented:

- The Chairman asked whether the information set out within the report showed the best use of staff resource, and if the University did not think it was the best use, compared to the University's competitors, what would be the next short term and longer term

steps needed to ensure the University is utilising its staff resource in the most efficient way.

- The Finance Director & Deputy Chief Executive informed the Board that the University was not currently utilising its staff resource in the most efficient way, and work still needed to be done around investing in technology and streamlining processes to ensure less need for back-office resources in the future.
- Governors asked whether there was a particular target in respect of the proportion of back-office staff needed in relation to front-line academic staff, and whether the University was in line with similar institutions as the percentage outlined within the report seemed high. The Finance Director & Deputy Chief Executive informed the Board that front-line staff such as library staff were included within the percentage outlined and therefore further analysis would need to be done.
- The Registrar & Chief Executive advised the Board that library staff would not be classified as academic staff within the HESA Return.
- The Vice-Chancellor & Chief Executive informed the Board that the information provided provoked some interesting questions and goes to the core of what the Institution is as a university. In particular, the staff/student ratio is a metric across the sector and LJMU's staff/student ratio is not as favourable in general as the University would like. In this respect the University had been investing, over the last few years, in recruiting up to 100 academic staff. The only other way to improve the staff/student ratio would be to reduce the number of students; however, this would directly affect the University's income and therefore could not be considered at this time.
- The Vice-Chancellor & Chief Executive informed the Board that the University now has a mechanism in place to look at the best use of staff resource through the introduction of a new Staff Resource Management Group. This group looks holistically across the Institution when vacancies arise and new posts are funded, which gives the University the opportunity to redirect resource around the Institution in line with the University's strategy and to support particular projects and initiatives.
- It was noted that the 38% of LJMU total staff costs relating to Academic Services, Central Admin and Premises, compared to 10% of LJMU total staff costs in relation to Admin/Technical Staff in Academic Departments took into account the higher differentials in grades for academic staff.

- Governors asked the Vice-Chancellor & Chief Executive if there was a ratio to which the University aspired in relation to the proportion of staff to students. The Vice-Chancellor & Chief Executive informed the Board that the headline target would be 20:1 by 2017 and which would put the University in a reasonable position compared to other institutions. However, it was noted that there was considerable difference across the University with regard to staff/student ratios, with some areas still at 30:1 and some areas below 10:1.
- Governors asked whether the University still had the right skills mix of staff or whether it was supporting historical administrative structures that were no longer required, and would be costly to the University to make the necessary adjustments. The Vice-Chancellor & Chief Executive advised that the University was addressing such issues to ensure the correct balance of staff/student ratios and the right balance of staff across the Institution through the Staff Resource Management Group, and would continue to monitor where the priorities are across the Institution.
- The Chairman requested that a further report be brought to the November meeting of the Board, outlining the staffing priorities across the Institution and how LJMU compares with other similar organisations. Governors would also be interested in knowing the views of the SMT overall, having taken account of the information provided within the report, and any costs that would be incurred in changing the current balance of staff across the Institution.

Action: Vice-Chancellor & Chief Executive

Noted.

LJMU 14.29

FORECAST OUT-TURN 2013/14 AND BUDGET 2014/15

Received: The report of the Finance Director & Deputy Chief Executive (LJMU 14/26).

Reported:

- That the Finance Committee had considered and recommended approval of the Budget for 2013/14 at its meeting on 17th June 2013. In the October Monitoring report the position had improved with an operating surplus of £11.0m (excluding FRS 17 and sale of fixed assets), or £8.0m after including a £3.0m provision for FRS 17. It has been recognised that it would be essential to deliver a demonstrably sustainable budget for 2014/15 in order to enable the University to deliver its strategic plan.
- The report presented to the Finance Committee and the Board in March 2014 revised the budget to a historic cost surplus of

£8.0m, being £11.0m surplus on operating activities, with £3.0m for a FRS 17 pension charge.

- The 2013/14 Forecast Outturn contains a revised historic cost surplus of £11.4m. This is comprised of £13.3m surplus on operating activities, £3.0m FRS 17 pension charge and a surplus on the sale of fixed assets of £1.1m.
- 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 2013/14 comfortably meets, and exceeds, all of Barclays Bank covenant requirements.
- The 2014/15 Budget delivers a similar value operating surplus to that forecast for 2013/14. The paper outlined the different elements contributing to the budget surplus.
- The Budget for 2014/15 is for a Historic Cost surplus of £9.3m. The impact of FRS 17 is assumed at £3.0m. It is also assumed that no university fixed assets will be sold during the year. Therefore, the Operating Cost surplus is £12.3m.
- The car mileage rate paid by the University to employees when using their own car has remained at 40p per mile for several years. An increase from 40p to 45p is expected to cost c£10-15k spread across the University and therefore the Finance Committee recommended to the Board that the rate should increase from 1st August 2014 which will have little overall impact on budget holders.
- There has been a drawdown of the loan facility in prior years; £20m in August 2009, £10m in August 2010 and £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; however this was extended by the bank for a full four year period to 28th May 2017. All other terms remained unchanged and the University continues to pay the non-utilisation fee on the undrawn facility at the same rate previously established (0.75% p.a.) It is expected that no further draw down of the loan will be required in the 2014/15 year.
- The development of the next phase of the Estate Master Plan continues. The forecast thus assumes at a high level, that there will be significant additional capital investment during the period 2014/15 to 2016/17 and beyond.
- As part of the Estate Master Planning process the forecast will be revisited and monitored throughout the 2014/15 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.

Commented:

- The Deputy Chairman of Finance Committee, in the absence of the Chairman, reported that the Finance Committee had considered the report in detail at their meeting held on Thursday 26th June 2014.
- The Finance Committee members felt that the budget for 2014/15 carried forward the good work previously undertaken around cost control and efficiencies, and also the successful recruitment of students. The main thrust of the discussion at the Finance Committee had been around the need for SMT to put greater emphasis on income generation from areas other than student fees and saw this as being critical to the long-term sustainability of the University, and that this would need to be a priority and would have the full support of the Committee.
- Governors welcomed the positive financial position of the University but cautioned that the prudent forecast suggests a margin for error, and wondered whether within the University's budgeting and planning that due consideration had been given as to what would happen if the assumptions did not materialise as envisaged. Is there a risk that whilst the University is receiving positive information currently that during the next four to five years there could be some negative surprises?
- The Finance Director & Chief Executive reported that there is risk going into this year around the uplift in student income and residual risks going into the next few years. However, the University is able to plan around such risks given the timetable involved and the University is trying to strike a balance between being overly-prudent and still not taking too much risk. If there is a significant problem in student numbers in the autumn the University would have a problem, but then the University would not embark on any significant investment as a consequence.
- The Chairman emphasised the fact that universities were complex organisations and therefore it was difficult to make forecasts with any great degree of certainty. As student numbers plateau this will lead to challenges and risks that need to be taken into account. The University also needs to ensure it realises income streams other than home recruitment, with international students providing prospects along with collaboration and commercial activities. There are some good opportunities for the University to consider and which it needs to push ahead with as soon as possible.

The Board:

- **Noted and endorsed** the University forecast outturn for 2013/14.
- **Noted and endorsed** the University budget for 2014/15 as recommended by the Finance Committee.
- **Noted and endorsed** the block grant contribution to LiverpoolSU of £1,038k for 2014/15.
- **Noted and endorsed** the continued actions taken by the Vice-Chancellor and SMT, on behalf of the Board, in determining the shape and future direction of the University.
- **Approved**, as recommended by the Finance Committee, the increase in the rate paid to employees when using their car on University business from 40p to 45p per mile, to take effect from 1st August 2014.
- The Chairman, on behalf of the Board, thanked the Director of Finance & Deputy Chief Executive and her staff for the work that had gone into producing the report.

LJMU 14.30

ESTATE MASTER PLAN UPDATE

Received: The oral report of the Vice-Chancellor & Chief Executive.

Reported:

- The Vice-Chancellor & Chief Executive reported that BDP had completed the Master Plan and that since the Board's last meeting the University had appointed BDP as the Architects. The Chairman of the Board had been involved in the interview process for this appointment.
- The first governance Steering Group had met on Thursday 3rd July chaired by the Chairman of the Board and which included an independent co-opted member, Mr Bill Addy, who is the Chief Executive of the Liverpool BID Company.
- The University continues to work with Liverpool City Council on the purchase of land around the Copperas Hill development and will bring back a detailed report to the September Board Meeting.

Action: Vice-Chancellor & Chief Executive (Secretary's Note: This action already exists on the Action Point Register at LJMU 14.10).

Commented:

- The Chairman informed the Board that the Governors' Steering Group had had a constructive meeting at which Governors

received up-to-date information on the Master Plan. At its meeting in September the Board will be asked for approval of the Master Plan going forward and the Chairman advised that work was progressing to plan. As reported earlier, Mr Bill Addy is the Chief Executive of the BID Company which is responsible for the Business Improvement District which overlaps the district in which Copperas Hill is situated, and had made very useful contributions to the Steering Group.

Noted.

LJMU 14.31 **LEAGUE TABLES 2015**

Received: The report of the Registrar & Deputy Chief Executive (LJMU 14/27).

Reported:

- The report provided an overview of the University's league table performance in the key tables published in the first half of 2014. The report contained a synopsis of the performance in the league tables and a more detailed briefing note on the Complete University Guide and Guardian league tables.
- After LJMU's significantly improved ranking in the Guardian League Tables in 2014, in 2015 LJMU had dropped its ranking by 11 places, moving down from 69th of 119 institutions to 80th of 116 institutions. Despite the drop in ranking from 2014 levels it is still an improvement on LJMU's rankings in 2012 and 2013.
- In the Complete University Guide, of 123 institutions LJMU had improved its overall ranking by one place from 82nd to 81st.
- In the Times Higher Student Experience Survey LJMU had improved its overall ranking by five places from 62nd to 57th of 111 institutions.

Commented:

- Governors sought clarification around how student expenditure is calculated across the league tables, and whether this was a matter of coding, or whether the University is spending less on students compared to other institutions. The Registrar & Deputy Chief Executive informed the Board that this was a complex area and changes from year to year, but is primarily calculated in relation to direct expenditure on students as identified by the HESA finance return. The Finance Director & Deputy Chief Executive informed the Board that the University is currently reviewing how it allocates those particular areas of expenditure to provide a more accurate picture.

- Governors were assured that the University's strategy would not be driven by tactics to improve its league table position, but would be looking to increase and embed, in a sustainable way, its overall performance and subsequently move steadily up the league tables.
- The Student Governors recognised that the Guardian league tables had the potential to influence whether students would come to the University, and asked whether steps were being taken to ensure improvements in the University's league table position. The Registrar & Deputy Chief Executive advised that the University had improved its position overall since 2013, but that the one area that stood out was the graduate employment prospects where again there had been a significant fall in performance. The Vice-Chancellor & Chief Executive informed Governors that the University was continually trying to improve excellence in the student experience and that hopefully better outcomes would be seen in the NSS measures to be reported in the near future.
- Governors noted that students looked to the league tables in light of the £9k fee and that it may be useful for the University to produce some trend data for prospective students so that the scores highlighted within the report are put into some context and perspective, and that this might be helpful to reassure students that the general trend is upwards with some challenges on the way.
- The Chairman noted that considerable investment had been made in academic staff over the last two years and that this had not yet been fully reflected in the data provided within the league tables.
- The Registrar & Deputy Chief Executive informed the Board that there had been a comprehensive review of how the University managed the information in relation to the Destination of Leavers Survey across the Institution, and that the University had seen an 8% improvement. Further improvements to the process would be made in the coming year.

The Board **noted** the University's overall performance and the continued efforts going forward to maintain or improve the University's league table position.

LJMU 14.32 **INSTITUTIONAL RISK REGISTER**

Received: The report of the Strategy Management Director (LJMU 14/26).

Reported:

- The Board received the latest version of the Institutional Risk Register, presenting to the Board all institutional risks which have a residual (net) score of 12 or above.

Commented:

- Governors recognised that the University had a robust Risk Management Policy but were surprised that no financial risks were indicated on the Risk Register given the discussions earlier regarding income streams, the rising pay bill and pension costs. The Strategy Management Director advised the Board that as a consequence of an action from the last Board meeting the Risk Register indicated financial risks with the letter 'F' as indicated on the Register.
- The Finance Director & Deputy Chief Executive had presented her local Finance and Resource Services risk register to the last Finance Committee and that discussions are taking place as to whether it would be good practice to roll out this process to other Board committees that have risk associated with them.
- Governors would welcome further comfort around commercial and collaborative income streams and felt that this should be included on the Risk Register, and also timescales for mitigating risks should be included.

Action: Strategy Management Director

- The Chairman noted the Risk Register focused on strategic risks rather than operational risks; however, the letter from HEFCE regarding the annual assessment of institutional risk makes it quite clear that "it is the responsibility of the governing body of the institution to ensure that risks are being managed effectively". In this regard the Chairman would require further assurance by way of a risk register that would come to the Board with a short report indicating the detail behind the risks so that every Governor could see the risks that had been identified, how they are being dealt with, and the level of risk.
- The Finance Director & Deputy Chief Executive informed the Board that whilst the Audit Committee provided assurance around the processes for risk management that there may be mileage in deciding which areas of risk flow through the Board's committees.
- The Strategy Management Director informed the Board that until November 2013 the full risk register was reported to the Board. At the November meeting there had been a recommendation that as the institutional risk register was a large and detailed document that the University would find a threshold and report

only those risks to the full Board that were at the higher level. However, if the Board required the full institutional risk register or wished risks to be presented in other ways then this could be accommodated.

- The Chairman proposed that the Strategy Management Director take the opportunity to re-visit how risks are presented to governors to ensure that the Board are fully aware of the risks to the Institution so that in turn they may assure regulators and others that risks are being managed effectively.

Action: Strategy Management Director

LJMU 14.33 **RISK MANAGEMENT POLICY 2014**

Received: The report of the Strategy Management Director (LJMU 14/29).

Reported:

- The Board received the latest version of the Risk Management Policy for approval.
- That in light of the discussion at 14.22 above the Risk Management Policy would reflect any changes made and be brought back to the Board in due course for approval.

Action: Strategy Management Director.

Noted.

LJMU 14.44 **HEFCE'S ANNUAL ASSESSMENT OF INSTITUTIONAL RISK**

Received: Letter from HEFCE (LJMU 14/30)

Reported:

- Based on the accountability returns submitted for 2012-13 HEFCE's overall assessment at this time is that LJMU is not at higher risk. In making this assessment HEFCE have also concluded that the Institution is meeting the accountability obligations set out in the Financial Memorandum and other HEFCE guidance.

Noted.

LJMU 14.45 **VICE-CHANCELLOR & CHIEF EXECUTIVE'S REPORT**

Received: The report of the Vice-Chancellor & Chief Executive (LJMU 14/31).

Reported:

- The Vice-Chancellor & Chief Executive informed the Board of a number of important senior appointments made across the Institution and who will be in place for the start of the next academic year.
- That it had been an encouraging cycle for undergraduate home recruitment and an increase in international applications including postgraduate international applications. Postgraduate home applications remained a challenge.
- LJMU is one of only four UK universities selected by the Royal Society of Chemistry (RSC) to deliver chemistry outreach activities as part of a new project.
- That the 13th Annual LJMU Teaching and Learning Conference took place on 16th and 17th June with over 350 attendees from across the University. Presentations were given by staff from the Faculties and Professional Services and from students.
- That the University was shortlisted for a collaborative award as part of The Arts & Business Awards in partnership with Jaguar Land Rover, to celebrate the finest collaborations between the commercial and cultural sectors. LJMU was the only university to be shortlisted for an award with two citations for its collaborations with the Tate Liverpool and the Royal Liverpool Philharmonic.
- That the Chancellor of the Exchequer, the Rt Hon George Osborne MP, visited Liverpool on 3rd July when he revealed that LJMU and the University of Liverpool had been successful in their bid to create one of four University Enterprise Zones, with £5.0m match funding available from government. The £15.0m facility will house and support new high tech businesses around 'sensor technologies'.

Noted.

LJMU 14.46

LIVERPOOLSU REPORT: STUDENT ISSUES

Received: The report of the Student Governors (LJMU 14/32)

Reported:

- That the new sabbatical officers of LiverpoolSU were Sam Davys, President; Josh McDowell, Vice-President Activities; Lorraine Sebastian-Francois, Vice-President Academic Quality; and Dan Cole, Vice-President, Community Engagement.
- That the Students' Union had moved from the Haigh Building and wished to thank the LJMU Estates Team for all their work in assisting with the move.

- The Students' Union is currently putting together its Strategic Plan and has been working closely with students identifying three important strands of focus around: (1) providing employment and volunteer opportunities; (2) providing help and advice; and (3) providing support to help students find employment opportunities after graduation. The Students' Union will also meet with the Vice-Chancellor and the SMT to discuss how the Student Union's strategic plan can best align with the University's strategic plan.

Comments:

- The Chairman thanked the Student Governors for their report which set out clearly LiverpoolSU's priorities and the particular responsibilities of the individual sabbatical officers.

Noted.

LJMU 14.47

WORLD OF WORK

Received: The report of the Registrar & Deputy Chief Executive (LJMU 14/33).

Reported:

- The purpose of the report was to inform the Board of an evaluation of the current organisational structures, services, activities, targets and outcomes relating to student and graduate employability, enterprise and entrepreneurship at LJMU with a view to defining a comprehensive integrated plan to realise the goal of putting 'employability, entrepreneurship and citizenship at the heart of the Student Experience'.
- That although the World of Work Certificate is considered a differentiator – being employer informed and employer verified has enhanced the reputation of the University, the impact on improved graduate destinations (the sector's measurement of employability) has not, as yet, been realised.
- That LJMU has an opportunity to make an important step-change and establish, out of a re-alignment of existing services, a new coherent professional service that is strategic and efficient.
- That the plan is to review those services that are primarily focused on 'student opportunities' with the first step being to review the World of Work Careers Centre with the aim of delivering a new careers service for September 2014 physically located within the campus, providing a much more easily accessible user-friendly service for all students.

Commented:

- Governors asked whether psychometric testing was provided to students and whether the University's links with businesses were realising student placements. The Registrar & Deputy Chief Executive informed Governors that the current delivery around careers provides a whole range of techniques that are used in assessments, including psychometric testing; however, it is not widely available to students. In terms of placements, the University does have a number of interesting and wide-ranging contacts and relationships with a number of organisations of which many do provide placement opportunities, but certainly not all. How the University manages and utilises those contacts is also something that will be reviewed as part of the process to ensure the University is receiving the maximum benefit from those partnerships.
- Some Governors felt that they had seen the prominence of the World of Work initiative diminish over the last few years. The Registrar & Deputy Chief Executive informed the Board that the work of the World of Work Centre has become very high profile internationally with a lot of work being undertaken with the British Council, but locally there needs to be some further work around how the University markets this initiative.
- Governors recognised that the World of Work is a good brand but that the report showed it was not delivering the outcomes expected. One of the reasons for this may be that the University's students come from the local area and stay in the local area and therefore they are not being employed across the whole economy. Governors thought it would be helpful to understand more clearly where students are being employed and in what particular industry, and whether this would have some bearing on the type of programmes the University was providing. Also, that there may be opportunities for the University to target its Alumni, as other universities had, to seek employment for current students.
- The Registrar & Deputy Chief Executive informed the Board that the latest figures for the 2013 cohort show that the University has an approximate student unemployment rate of 8%, indicating that 92% students are in employment or further study. The University has designed some bespoke interventions where graduate employment prospects are low, but the University has been lacking in direct easily accessible contact with many students to provide career advice and opportunities due to the physicality of the Careers Centre, and the steps to re-site two new career centres within the University campus should help the University to address these issues. The University also utilises its alumni through the 'Time and Talent Scheme' which has been particularly successful.

- Governors outlined that this was also an issue for the City and not just the University, and that it was important to engage with the Mayor and the LEP and others to understand better the regeneration plans for the City Region and therefore identify the type of graduate that would be needed to resource those plans and activities.
- The Registrar & Deputy Chief Executive informed the Board that the University is engaged as much as it can be but that the University's regional competitors are outperforming LJMU, and therefore may not be related to the local economy. The Vice-Chancellor & Chief Executive reassured the Board that the University is working very closely with the LEP and the Mayor's Office, looking at the skills base within the City Region and the type of skills that will be needed for future proposals and regeneration for 2014-2020.
- Governors noted that some of the University's competitors had considerably high percentages of vocational programmes such as teacher education and nursing, and that this may be skewing the results in some respect which disadvantages the University.
- The Registrar & Deputy Chief Executive informed the Board that he would bring back to the Board an analysis of the outcomes of the Destination of Leavers Survey for Governors information.

Action: Registrar & Deputy Chief Executive

Noted.

Matters for approval or information

LJMU 14.48 **DEVELOPMENT OF THE I.T. STRATEGY 2014-2017**

Received: The report of the Registrar & Deputy Chief Executive (LJMU 14/34).

Reported:

- The report informed the Board of the progress in the development of, and the proposed process for approving, the I.T. Strategy.
- The draft I.T. Strategy had been presented to the I.T. Committee and will go to the SMT for institutional sign off during the 2013/14 academic year. Further to this the Strategy will be presented to the Academic Board and the Board of Governors in September 2014.

Action: Registrar & Deputy Chief Executive

Commented:

- Governors were surprised that the I.T. Strategy was reported as having no financial implications. The Registrar & Deputy Chief Executive clarified that it was the development of the Strategy rather than the implementation of the Strategy that did not have financial implications, and that the report in September will outline the financial consequences of any proposed developments.

Noted.

LJMU 14.49

CHAIRMEN'S & COMMITTEE REPORTS

Secretary's Note: Some reports, due to the quick turn round of meetings, and so that the Board has access to the most recent information, were still in draft form and open for 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.

Received: The oral report and highlights from the Chairmen of Committees.

Reported:

- Employment Committee (LJMU 14/35): The Chairman of Employment Committee informed the Board that the Committee had discussed the committee's revised terms of reference in relation to the future relationship with the Remuneration Committee and links with the rewards and recognition agenda. It was agreed that both Committees would return to this in the autumn to ensure the balance of responsibilities is right.
- Employment Committee had considered a report on reward, incentives and recognition and it was agreed that the Vice-Chancellor and colleagues would bring back a more detailed paper looking at the longer term strategy and the steps to be taken over the next few years.
- The Employment Committee had approved the 2014 pay award, concluded nationally, with an offer of 2% for those staff who are covered by National Pay Bargaining. Employment Committee also approved a 2% pay award for those staff determined locally who are above Grade 10, with the exclusion of SMT who awaited the decision of the Remuneration Committee in October.
- Remuneration Committee (LJMU 14/36): The Chairman of Remuneration Committee reported similar discussions as Employment Committee above, with the addition of reviewing the timetable for the PDPR process, bringing the Vice-Chancellor's PDPR forward to facilitate more effectively the cascade of objective setting across the Institution.

- Nominations Committee (LJMU 14/37): The Chairman of the Board (also the Chairman of Nominations Committee) reported that the Committee had discussed succession planning for the Board going forward with two nominations put forward to be pursued. One of the two proposed nominations had withdrawn due to the time commitment needed. The Chairman would be meeting with the second nomination in a couple of weeks' time.
- The Chairman informed the Board that the Nominations Committee is keen to have someone on the Governing Board who has employment and change management skills, and it had been agreed that the Board would appoint an executive search company with a view to identifying someone with those particular skills.
- The Chairman was concerned that the Board would be losing, over the next 18 months, three key members of the Board and therefore there was a need to bring in replacements early so they could build up their knowledge with the assistance of the current experienced Board members.
- Audit Committee (LJMU 14/38): The Chairman of Audit Committee reported that he would be recommending to the Board, on behalf of the Audit Committee, the appointment of new internal auditors, Baker Tilly. He informed the Board that one of the anxieties of the Audit Committee was that internal audit reports were not sufficiently timed across the Audit Committee schedule and thus a glut of reports tended to come to the Committee at the end of the cycle resulting in committee members not having enough time to go into the detail. It was hoped that this would be improved with the appointment of new Internal Auditors, and had informed part of the tendering process for the internal auditors.
- That in relation to the audit of 'Procurement of I.T. Systems and Software Licence Compliance', it was agreed that this audit would be separated as the limited assessment finding was related to the Licences rather than the financial controls.

Noted.

LJMU 14.50

MEMBERSHIP & GOVERNANCE ISSUES

Reported:

- The Board **confirmed** the appointment of Ms S Davys as the Student Governor nominee to the Board, term of office commencing 7th July 2014 for a period of 1 year.
- The Board **confirmed** the appointment of Mr D Cole as the second Student Governor nominee to the Board, term of office commencing 7th July 2014 for a period of 1 year.

- The Board **noted** the outcomes to the questionnaire regarding the performance review of the Chairman of the Board (LJMU 14/39). The Chairman noted that half of the attendees and just over half of the governors had responded to the questionnaire and that he would hope that next year there would be closer to a 100% response.
- The Board **noted** the LiverpoolSU Returning Officer's Report confirming the proper conduct of the LiverpoolSU student elections in compliance with Section 22, Education Act 1994 (LJMU 14/40).
- The Board **approved** the appointment of the new Internal Auditors, Baker Tilly, as recommended by the Audit Committee.
- The Board **confirmed** for the record that the Chairman, on behalf of the Board, had approved the Access Agreement 2015-16.
- The Vice-Chancellor & Chief Executive reported that following discussions with the Chairmen of the committees of the Board, he had requested Ms Julie Bertolini, the Finance Director & Deputy Chief Executive to be the University Secretary until further consultations had taken place with the Chairmen and other Governors; and would be giving due consideration to proposals to strengthen the Legal Services within the University. A further formal report will come back to the Board in September.

Action: Vice-Chancellor & Chief Executive

Noted.

LJMU 14.51 **PROGRAMME OF BUSINESS 2014/15**

Received: The Programme of Business for 2014/15 (LJMU 14/41)

Approved.

LJMU 14.52 **ANY OTHER BUSINESS**

No other business reported.

LJMU 14.53 **DATE OF NEXT MEETING**

Monday 29th September 2014 at 5.00 pm.

LIVERPOOL JOHN MOORES UNIVERSITY

BOARD OF GOVERNORS

Action Point Control Register – Status of Open Action Points as at 29th September 2014

Minute	Action	By Whom	By When	Status
LJMU 13.74 & LJMU 14.04	<u>Vice-Chancellor & Chief Executives Report:</u> In relation to the University's 'Selected Destination Data', the World of Work scheme is under review and a paper will be brought back to the Board at its next meeting.	Vice-Chancellor & Chief Executive	7 th July 2014	Discharged
LJMU 13.77(c)	<u>Annual Strategic Performance Report 2012/13:</u> in a small number of cases, in particular under Research and Scholarship and Social and Economic Engagement, data for 2012/13 is not available until December 2013 and will therefore be re-presented to the Board of Governors during 2013/14.	Strategy Management Director	29 th September 2014	Active
LJMU 14.05(ii)	<u>International Strategy Review:</u> Governors requested that the University add appropriate Key Performance Outcome measures to evidence that the quality of international students admitted was being maintained.	Pro-Vice-Chancellor (External Engagement) & the Strategy Management Director	7 th July 2014	Discharged
LJMU 14.05 (iii)	<u>Analysis of staff costs in relation to income:</u> Governors requested information in relation to the split in staff costs attributable to academic staff and other staff within LJMU.	Finance Director & Deputy Chief Executive	7 th July 2014	Discharged

Minute	Action	By Whom	By When	Status
LJMU 14.10	<p><u>Spatial Masterplan:</u></p> <p>(i) The Project Board will develop a full feasibility report and business case to the Board at its September meeting.</p>	Finance Director & Deputy Chief Executive	29 th September 2014	Active
	<p>(ii) Governors requested further detail on how the completion of the Copperas Hill site would align with the budget deficit envisaged within the Five Year Plan.</p>	Finance Director & Deputy Chief Executive	29 th September 2014	Active
LJMU 14.28	<p><u>2012/13 HESA RETURN STAFF FTE AND STAFF COST ANALYSIS:</u> The Chairman requested a further paper outlining staffing priorities across the Institution and how the proportion of administrative staff compared to other Institutions across the sector. Governors also requested the views of SMT overall, having taken account of the information provided within the report, and any costs that would be incurred in changing the current balance of staff across the Institution.</p>	Vice-Chancellor & Chief Executive	17 th November 2014	New
LJMU 14.32	<p><u>INSTITUTIONAL RISK REGISTER:</u></p> <p>(i) Governors would welcome further comfort around commercial and collaborative income streams and felt that this should be included on the Risk Register, along with timescales for mitigating the risk.</p>	Strategy Management Director	17 th November 2014	New
	<p>(ii) That the Strategy Management Director re-visit how risks are presented to governors to ensure that the Board are fully aware of the risks to the Institution so that in turn they may assure regulators and others that risks are being managed effectively.</p>	Strategy Management Director	17 th November 2014	New

Minute	Action	By Whom	By When	Status
LJMU 14.33	<u>RISK MANAGEMENT POLICY 2014:</u> That in light of discussions around the Institutional Risk Register the Risk Management Policy would reflect any changes made and be brought back to the Board in due course for approval.	Strategy Management Director	17 th November 2014	New
LJMU 14.47	<u>WORLD OF WORK:</u> That an analysis of the outcomes of the Destination of Leavers' Survey be brought back to the Board in due course.	Registrar & Deputy Chief Executive	September/November 2014	New
LJMU 14.48	<u>I.T. STRATEGY:</u> That the I.T. Strategy will be presented to the next Board of Governors' meeting.	Registrar & Deputy Chief Executive	29 th September 2014	New
LJMU 14.50	<u>MEMBERSHIP & GOVERNANCE ISSUES:</u> That a report regarding the position of University Secretary and proposals to strengthen the Legal Services within the University will be brought back to the Board of Governors.	Vice-Chancellor & Chief Executive	29 th September 2014	New