



Minutes of the meeting of the Board of Governors held on 13th November 2017

1. APOLOGIES AND ABSENCES

- 1.1 For a record of attendance and apologies, please see attached list.
- 1.2 The Board welcomed Nadeem Khan, Diana Beech, Alice Brunt and Robert Dudley to their first Board meeting.

2. DECLARATIONS OF INTEREST

- 2.1 There were no declarations of interest.

3. MINUTES AND MATTERS ARISING

- 3.1 The minutes of the meeting held on the 3rd July 2017 were confirmed as a correct record.
- 3.2 The Notes of the Board Strategy Away Day held on 9th October 2017 were received.

4. CHAIR'S BUSINESS

- 4.1 The Chair gave a verbal report, providing details of three external events he had recently attended on behalf of the University: the HEFCE Annual Conference, the HEFCE AGM and the CUC Autumn Plenary.
- 4.2 Discussion at the HEFCE Conference had focused on Brexit, the government's forthcoming Industrial Strategy (and opportunities for Universities), social mobility and promotion of 'the student interest', funding of Higher Education and the introduction of the Knowledge Exchange Framework (KEF). The purpose of KEF will be to promote further improvements in the Knowledge Exchange activities of universities. HEFCE is commissioning work on KEF metrics that will inform this work.
- 4.3 One of the key sessions at the CUC event focused on senior remuneration. In the light of recent media and political attention concerning Vice Chancellor's pay, the CUC will be drafting a Code of Practice related to senior staff remuneration. The Chair is a member of the working party that will review and guide this project and he will be attending an event organised by the Leadership Foundations for Higher Education (LFHE) on this topic. Work within the University, concerning the creation of a framework for evaluating and setting Vice Chancellor's pay, has been paused to ensure that any future arrangements reflect the new CUC Code of Practice.
- 4.4 The Chair commended the university staff for delivering a very successful graduation programme this year, and the President of the Students' Union for delivering an inspiring speech at the Graduation Dinner.
- 4.5 The Chair reported on the recent visit by Tracey Crouch (Minister of Sport) and advised the Committee that he had met with the new Development Dean for the Medical School, Professor John Cookson.
- 4.6 The Clerk advised the Board that she had been invited by the Leadership Foundation to deliver a workshop at a training event for staff governors, alongside Diana Beech, who will also be a contributor. She and the Vice Chair are attending the LFHE Governance Conference at the end of the month.

5. VICE CHANCELLOR'S REPORT

- 5.1 The Board received the written report prepared by the Vice Chancellor and Chief Executive.
- 5.4 The Board received a report on the recent negative media attention universities have received generally, and on the personal approach taken by the Vice Chancellor and Chief Executive to promote the benefits provided by universities. The University has also hosted a Sky News special on the theme of 'University: Is it worth it?' Some external commentators have suggested that Universities are responsible for increases in tuition fees, but such changes have been based on political decision-making, intended to cut the cost of Higher Education for tax payers. The government has recently announced that it will freeze the fee cap at £9,250 and will undertake a review of the tuition fee system in England.
- 5.5 The Board also discussed the actions taken by the Vice Chancellor in response to the request from Mr Heaton-Harris MP for details of staff teaching on Brexit. The Chair advised the Board that he had personally received

positive feedback from some colleagues at a recent CUC event about the approach taken by the Vice Chancellor and Chief Executive. The Board expressed its support for the Vice Chancellor and Chief Executive.

5.6 The Board was informed of the University's international work, following the retirement of the Pro Vice Chancellor International and the departure of the Director of International Recruitment. It was reported that the University has a relatively low refusal rate (2.42%) for the issuing of Confirmation of Acceptances for visa applications from prospective overseas students.

5.7 The University is raising its profile overseas. The Vice Chancellor and Chief Executive tabled a book entitled 'The Worcester Way: An Inclusive Approach to Physical Education and Sport' that was launched recently at a conference at Beijing University. The University is now partnering with the World Academy of Sport to provide education on inclusive sports. A copy of the latest press report was tabled, documenting the media coverage of the University in the UK and overseas.

Medical School

5.9.1 The Board received a written update from the Vice Chancellor and Chief Executive and a presentation from the Deputy Vice Chancellor on the Medical School project.

5.9.2 It was noted that during strategic planning discussions at Board meeting and at the Board's Strategy Away Day, the Board had identified the creation of a Medical School as a key strategic priority in the medium to long term for the University for a number of reasons.

5.9.3 The work of a Medical School would complement and create connections with the University's extensive health and wellbeing educational provision and research work, which currently accounts for circa 25% of the University's activity. It is, therefore, the next logical step in terms of broadening the educational provision of the University. Establishing a medical school would be consistent with the following values and mission of the University: to transform the lives of its students and the local and regional communities it serves. The development would widen access to prospective students from non-traditional routes to Medicine, and it would help address the significant challenges in the local health economy, in terms of the recruitment and retention of suitably qualified medical practitioners in the region. The new Medical School would have the following distinct features:

- offer a graduate entry four year programme, aimed at widening access and admitting students from different disciplinary backgrounds;
- focus on promoting inter-professional education (working with staff in the Institute of Health at the University) and
- specialise in psychiatry and primary care. This would build on the research strengths of the University in terms of mental health and wellbeing and the University's work on student mental health and Suicide Safer.
- It would also anticipate future trends in healthcare, which will focus on inter-professional working to address significant challenges in terms of primary care, social care and the challenges of an ageing population. There is a risk if the University does not engage fully with this inter-professional agenda that the graduates from well-established health courses at the University will not be suitably prepared for their future careers.

5.9.4 In order to put together proposals for a potential medical school, the University has undertaken a detailed plan of work during the past 9-10 months:

- Significant partner engagement with medical practitioners and healthcare trusts in the three counties of Worcestershire, Herefordshire and Gloucestershire. There is enthusiastic support for the project and the University has a collection of letters of support that can be sent to HEFCE.
- The appointment of a Development Dean, Professor John Cookson, who has personal experience of creating three new medical schools.
- Securing of professional and specialist advice to support the work being undertaken by the project team that is being led by the Deputy Vice Chancellor.
- Identification of a 'contingent partner'. This is another medical school that is willing to support and oversee the work of the new school, including: sharing their curriculum, quality assuring its deliver and providing assurances to General Medical Council (GMC) and HEFCE that it would teach University of Worcester students if there was some delay or issue with the new school. Swansea University has been chosen because its curriculum and approach aligns well with the University's mission and values and it is one of the most well regarded new medical schools. For example, It is currently ranked 3rd in the UK in the Complete University Guide.

- 5.9.5 The GMC oversees a detailed process to approve the establishment of a new medical school. The process has 8 stages and is not related to any decision by HEFCE to grant student medical places and funding:
- Stage 1 - initial application
 - Stage 2 - Financial Audit
 - Stages 3 & 4 – provision of documentation concerning the proposal academic content and management of the course.
 - Stage 5 – GMC Visit
 - Stage 6 – GMC decision to commit resources
 - Stage 7 – initiation of an annual process of quality assurance
 - Stage 8 – Final approval.
- 5.9.6 It was proposed that, with the Board's agreement, that the next steps for the project team should be:
- The preparation and submission of an application to HEFCE for 100 medical school places for the deadline of 23rd November. A copy of the final submission would be sent to Board members. This would not commit the University at this stage as the key decision point would be the GMC application.
 - The GMC application (Stage 1 of the GMC approval process), which will be submitted in the Spring, providing the Board grants formal approval at its next meeting.
 - Preparation of a full Business Plan, which that will need to be certified by a professional services firm and then presented to the Board for formal approval prior to submission to the GMC. Both the Business Plan and the report from a professional services firm form stage 2 of the GMC approval process.
- 5.9.7 The Board undertook a detailed group discussion (in four groups) to consider the proposal for the Medical School, the application to HEFCE and the proposed timetable for work leading up to the next Board meeting. A number of themes were identified and discussed further in a feedback session involving all Board members:
- ***How will the University ensure the highest quality standards working with the contingent partner?*** It was noted that the University has mature quality assurance procedures and experience of working successfully in partnership. The GMC sets a very clear framework and has informally agreed that Swansea University would be a suitable partner.
 - ***Would students accepted without an undergraduate science degree (as is proposed) be able to complete a medical degree successfully?*** Swansea accept students without science degrees but there is an admissions test that is used called (GAMSAT) which the Three Counties Medical School would also utilise. Discussions with Swansea currently include the idea of running an intensive summer school. It was also noted that whilst students may not have all the necessary basic science skills they will need to satisfy admissions criteria concerning graduate skills and the qualities needed to be a good doctor.
 - ***Does the University have the appropriate information technology infrastructure to deliver the course, including support when students are on placement and the proposed virtual anatomy and physiology?*** The Vice Chancellor reported that recently an external review of the University's basic IT infrastructure was conducted that highlighted some key priorities for action. A major investment programme will be initiated that will cover hardware, software, training and key staff appointments in the light of this review. Further, more specialist consultancy may be needed to support further investment in IT for the Medical School.
 - ***What will be the financial model? What will be the cost of investment and what will we pay Swansea?*** It was noted that there is currently no capital grant funding available from the NHS or from HEFCE to fund the creation of specialist facilities for new medical schools. Funding is provided by Health Education England (HEE) to cover the costs of the placement, which is circa £35k per student per annum. These monies are received by the placement provider and it may be possible for the University to secure a small sum to cover its costs associated with supporting and managing the placement. The business plan for the HEFCE application assumes the project would go ahead if all the proposed places are awarded to the University. If the HEFCE application is unsuccessful, an alternative business model would need to be developed. This may, for example, be based on a model considered by Aston University (before it recently secured medical student places) whereby the substantial majority of students are from overseas. Swansea University currently employs in

its Medical School a colleague who worked on the development of Aston's Medical School, and, therefore, she may provide us with specialist advice if required.

- 5.9.8 The Board resolved to **approve formally the final preparation and submission to HEFCE of an application for 100 medical school numbers for final approval by the Vice Chancellor and Chief Executive**. It also approved the planned work described in para. 5.9.6 above.

Action: Vice Chancellor and Chief Executive.

6. REPORT FROM THE STUDENTS' UNION

- 6.1 The Board received for information and discussion the report from the the Students' Union. The Board congratulated student members on the enhanced student engagement with the work of the Union, under their leadership. For example, it was noted that there are now 551 course representatives and that candidates stood for 7 of the 8 position in the recent elections. In addition, over 2000 students have joined clubs and societies this academic year.

- 6.2 The Board **received** the Report.

7. ANNUAL ACCOUNTS FOR THE UNIVERSITY AND ITS SUBSIDIARY COMPANIES

7.1 The University of Worcester Group Accounts for 2016/17

- 7.1.1 The Board received for formal approval the University of Worcester Group Accounts for 2016/17 and received for information the Management Letter. These had been received and reviewed by both the Audit Committee and the Finance and Development Committee.

- 7.1.2 It was noted that the University's financial performance had been reasonable in 2016/17 with a turnover of £93.8M (up £2.4M from 2015/16). Whilst expenditure had risen to £89.3M compared to £84.3.9M in 2015/16, the University had achieved an operating surplus of £4.6M compared to £7.2M in 2015/16.

- 7.1.3 The actuarial loss associated with pensions was recorded on the Statement of Comprehensive Income and Expenditure (SOI) and equated to £2.5M, compared to £8.2M in 2015/16. Therefore, the final position showed an accounting surplus of £9.1M compared to the accounting loss of £1.5M in 2015/16.

- 7.1.4 The Vice Chancellor and Chief Executive noted that the good financial performance was a result of the collective work of the executive in terms of increasing revenue and managing costs. It was noted that the outstanding management letter (which had identified mis-statements totalling just £7,036) is a positive reflection on the good work of the Finance department and in particular the work of the Director of Finance and Resources, the Deputy Director Finance and the Principal Financial Accountant, Michelle Porter and the team. The Board recorded its thanks to those staff.

- 7.1.5 The Board agreed that the Forward to the Accounts, including the Public Benefit Statement, was exceptionally well written and sets out well the strategic context.

- 7.1.6 The Board resolved to **approve** the Annual Accounts for submission to HEFCE.

7.2 Annual Accounts for UW Developments Limited

- 7.2.1 The Committee received for review the Accounts for UW Developments Limited for the year ending 31st July 2017 and noted that it had a made a small surplus of £17K.

- 7.2.2 The Board resolved to **approve** the Annual Accounts for submission to Companies House.

7.3 Annual Accounts for UW Enterprises Limited

- 7.3.1 The Board received for received for review the Accounts for UW Enterprises Limited, which formerly provided commercial services based on the research undertaken by the University, focusing principally on the work of the National Pollen Aerobiology Research Unit. The company is dormant and recorded a profit of nil in the year ending 31st July 2017. Accounts were required owing to two financial transactions that took place during the year related to a minimal amount of bank interest and the part settlement of a credit owed to the ultimate parent undertaking, the University of Worcester.

- 7.3.2 The Board resolved to **approve** the Annual Accounts for submission to Companies House.

7.4 Annual Accounts for UW Worcester Wolves Limited

- 7.4.1 The Board received for review the Accounts for UW Worcester Wolves Limited for the year ending 31st July 2017 and noted that it had made a small profit of £17K, due to the continued support of the University of Worcester and local external sponsors (totalling £405K in 2016/17). The principal activity of the company is to run and operate a professional basketball team, which undertakes significant work engaging schools and community groups to support the recruitment and outreach work of the University. The Committee noted that this work should be captured more fully and publicised in future.
- 7.4.3 The Board resolved to **approve** the Annual Accounts for submission to Companies House.

8. ANNUAL REPORT FROM THE AUDIT COMMITTEE

- 8.1 The Board received for information the Annual Report of the Audit Committee and the Internal Audit Annual Opinion. The Report included the Audit Committee's opinion that reasonable reliance can be placed on the adequacy and effectiveness of the University's arrangements for:
- risk management, control and governance (including the accuracy of the statement on corporate governance in the Strategic Report accompanying the annual statement of accounts);
 - economy, efficiency and effectiveness (value for money);
 - management and quality assurance of data submitted to HESA, HEFCE and other bodies.
- 8.2 It was noted that the Committee had received five internal audit reports for the year 2016/17, plus expert advice, to support major programme assurance associated with planned capital and estates developments. The Internal Auditors' Annual Opinion provided reasonable assurance on the University's internal control, governance, risk management and value for money arrangements. The Committee noted the outcome of each audit as follows:
- Cyber Security (Substantial Assurance)
 - Data Assurance – HESA Student Return/league table measures (Substantial Assurance)
 - Management Reporting (Moderate Assurance)
 - Sustainability and Energy Management (Full Assurance)
 - Teaching Excellence Framework (Full Assurance)
- 8.3 The Board **received the report** for information.

9. ACADEMIC QUALITY AND STANDARDS

- 9.1 The Board received for information the Annual Academic Quality and Standards Report for 2016/17. It was noted that this Report provides assurance and background to the Board for its approval of the HEFCE Annual Assurance Return (later in the Agenda).
- 9.2 The report provided details of the mechanisms in place to assure quality and standards, including external quality assessments, internal arrangements (such as annual and periodic internal reviews) and work to enhance quality in accordance with the University's Learning and Teaching Strategy. It was noted that key performance indicators in relation to completion, academic attainment, progression and retention provided an overall better picture than 2015/16. Completion rates overall were generally stable, whilst academic attainment as measured by the proportion of first class and upper second degree awarded, improved back to 2014/15 levels. The Deputy Vice Chancellor is currently leading a cross-University project to enhance student retention. A progress report on this work formed part of the Quality Enhancement Action Plan 2017/18 that was annexed to the Annual Report.
- 9.3 The Governor Observer on Academic Board commended the Report and acknowledged that detailed discussion had taken place at Academic Board when it received the Report.
- 9.4 The Board **received** the Report.

10. THE PROPOSED NEW REGULATORY FRAMEWORK FOR HIGHER EDUCATION

- 10.1 The Clerk to the Board delivered a presentation on the Higher Education and Research Act and the Office for Students' (OfS) Consultation on the proposed new regulatory framework for Higher Education. This included the new proposed conditions of (initial and ongoing) Registration. It was noted that the Act and the Framework prescribes a significant number of new responsibilities for the Governing Body, with whom the OfS will communicate directly in the future. The Office for Students will have significant new powers compared to HEFCE. These include the ability to issue fines, suspend and/or de-register a Higher Education Provider from the new Register, grant and revoke University title, prevent a Provider from charging the higher fees. In addition, in accordance with its responsibilities as a regulator, it has powers enshrined in law of entry and search.

- 10.2 The Board undertook a discussion in four groups and then engaged in a feedback and wider discussion session, on the following topics:
- **Regulation in other sectors and how the new proposed arrangements compare.** The Board agreed that it hoped that universities would be able to retain their autonomy and remain true to their mission and values in this new context, and would not be in the position of the NHS, where the regulatory framework drives the strategy and work of an organisation. Similarly, the Board agreed that it hoped that Higher Education would not be in a similar position to social care and other educational institutions, in the regulatory environments overseen by the Care Quality Commission and Ofsted respectively.
 - **Risks associated with the new regulatory context.** The Board felt that there has not been a clear definition of 'Value for Money'. This ambiguity, coupled with the divergence of regulatory oversight of research (to the UKRI) and education (to the Office for Students) may result in some difficulties, for example, when assessing the full cost compared to the funding/resourcing of research in universities. It was noted that early indications suggest that there may be additional data reporting points in the academic year and that this would place an extra burden on smaller institutions such as this university.
 - **Opportunities within the new regulatory context.** The Board welcomed the focus on student support and widening access and participation, which accord with the core values of the University. It also noted that the new framework would be risk-based and that effort and resources at OfS should appropriately be focused on new entrants and failing providers.
 - **Further future discussion.** The Vice Chancellor and Chief Executive will oversee the preparation of the University's formal response to the consultation, taking into account the feedback from the Board. The Board will receive a further briefing when the new Framework has been published.

11. FORMAL APPROVAL ITEMS

11.1 Annual Financial Sustainability (ASSUR) Report

- 11.1.1 The Board received for formal approval the Annual Financial Sustainability (ASSUR) Report for submission to HEFCE.
- 11.1.2 The Board **resolved to formally approve** the ASSUR Report for submission to HEFCE.

11.2 HEFCE Annual Assurance Return

- 11.2.1 The Board received for formal approval the HEFCE Annual Assurance Return for submission to HEFCE.
- 11.2.2 The Board **resolved to formally approve** the Annual Assurance Return for submission to HEFCE.

11.3 HEFCE Annual Prevent Return

- 11.3.1 The Board received for formal approval the HEFCE Annual Prevent Return. It was noted that the University is a low risk institution and has robust student support mechanisms that were commended in a recent UPP report. During 2016/17, one student referred to the Channel Panel. The Panel did not take the case forward.
- 11.3.2 The Board **resolved to formally approve** the Annual Prevent Return for submission to HEFCE and to authorise the Chair to sign the Declaration (para 9) on the Board's behalf.

12. REPORT ITEMS

- 12.1 The Board received the annual review of the University's Compliance with the CUC HE Code of Governance, prepared by the Clerk to the Board.
- 12.2 **Chair's Action Report**
- 12.2.1 The Board received for information the report of Chair's Action that had been taken since the last meeting.

13. BUSINESS OF THE SUB-COMMITTEES

13.1 Finance and Development Committee

- 13.1.1 The Board received the minutes of the meeting of the Finance and Development Committee that was held on 2nd October 2017.

13.2.2 The Board received a verbal report of the meeting of the Finance and Development Committee that was held on 10th November 2017. It was noted that the substantive items had been covered elsewhere on the agenda of the Board meeting.

13.3 Audit Committee

13.3.1 The Board received the minutes of the meeting of the Audit Committee that was held on 19th June 2017.

13.3.2 The Board received a verbal report of the meeting of the Audit Committee that was held on 6th November 2017. It was noted that the Annual Report of the Committee had been covered elsewhere on the agenda. There had been a private meeting of Committee members and the Auditors prior to the full meeting and members had received a reinduction presentation by the Internal Auditors. The Committee received both the Univeristy accounts and those prepared by the Students' Union. The Committee welcomed the first review of the Univeristy's compliance with legal and regulatory requirements undertaken by the Univeristy Legal Counsel. The Committee agreed a process to re-tender for External Audit services, in accordance with the terms of the contract with the current External Auditors whose contract was extended for one further year in November 2016.

13.4 HR Committee

13.4.1 The Board received the minutes of the meeting of the HR Committee that was held on 16th October 2017. The Committee had received further information concerning pensions.

13.5 Academic Board

13.5.1 The Board received the minutes of the meeting of the Academic Board that was held on 28th June 2017.

13.5.2 The Board received a verbal report of the meeting of Academic Board that was held 25th October 2017. The principal item of business was the Annual Report of Academic Quality and Standards, that was received earlier in the Agenda. The Board has also approved Honourary Awards. The Vice Chancellor and Chief Executive reported that he had received positive feedback from Academic Board concerning his recent response to the recent request from Mr Heaton-Harris for details of staff teaching on Brexit.

14. TRAINING AND DEVELOPMENT

14.1 The Board received for information the programme for the Independent Governors' Away Day that will be held on 8th January 2018.

14.2 The Board was advised that a joint meeting with the Board, the Academic Board and the Students' Union will be held in semester 2. It was **agreed** that the topic would be student engagement and communications.

14.3 The Board received for information a report prepared by PwC on the Student Voice in the HE sector, and noted three themes: the importance of technology, transparency and explaining to students how the money from their tuition fees is used.

15. FUTURE AGENDA ITEMS

15.1 Board members were asked to contact the Chair or the Clerk with proposals for future agenda items.

16. ANY OTHER BUSINESS

16.1 The Vice Chancellor and Chief Executive reported that the Annual Worcester Lecture to be held on 21st November 2017 will be delivered by Charles Clarke former MP and Home Secretary.

17. DATE OF NEXT MEETING

17.1 The date of the next meeting is 12th March 2018.

BOARD OF GOVERNORS AWAY DAY ATTENDANCE – 13th November 2017

Key: A = Absent with apologies.

INDEPENDENT MEMBERS APPOINTED BY THE BOARD OF GOVERNORS

	John Bateman OBE	(in the chair) Chair of the Board of Governors
A	Gloria Agyemang	
A	Carl Arntzen	
	Alice Brunt	
A	Charmian Di Nunzio	
	Diana Gant	
	Anna Hooper	Vice Chair
	David Iddon	
A	Nadeem Khan	
	Zadvinder Padda	
A	Reverend Dr Alwyn Pettersen	
A	Ian Smith	
	Sarah Speck	Vice Chair

CO-OPTED MEMBERS APPOINTED BY THE BOARD OF GOVERNORS

	Diana Beech	Nominated by the Board of Governors
	John Bothamley	Nominated by the Board of Governors
	Odette Fielding	Nominated by non-academic staff

VICE CHANCELLOR AND CHIEF EXECUTIVE

Professor David Green Vice Chancellor and Chief Executive

MEMBERS OF UNIVERSITY STAFF NOMINATED BY THE ACADEMIC BOARD

Dr Derek McDougall
Robert Dudley

STUDENT MEMBERS NOMINATED BY THE STUDENTS' UNION

Jade Haley President, Students' Union
Euan Morrison Vice President: Education, Students' Union

CLERK TO THE BOARD OF GOVERNORS

Dr Simone Clarke Clerk to the Board of Governors

IN ATTENDANCE

	Joanne Bailey	Executive Assistant to the Clerk of the Board
	Jane Britton	Director of Communications and Participation
A	Adele Cope	Director of HR
	Rob Bonham	Director of Finance & Resources
	Professor Sarah Greer	Deputy Vice Chancellor
A	Helen Johnstone	Head of Information Assurance/Manager of the University Capital Projects
	Sophie Glenn	Vice President Worcester Students' Union
	Ross Renton	Pro Vice Chancellor (Students)
	Sian Stroud	University Legal Counsel
A	Danya Young	Board Apprentice