

UNIVERSITY OF EAST LONDON HIGHER EDUCATION CORPORATION

BOARD OF GOVERNORS

Minutes of the Board of Governors held on Tuesday 21 May 2019 in Room KD.2.22, Docklands Campus

Present: Geoff Thompson (Chair), Professor Amanda Broderick (Vice-Chancellor & President), Amy Butterworth-Fernandes, Sally Dyson, John Garwood, Bindi Karia, Tony Mullee, Michael Nartey, Sunitha Narandren, Elham Peserlay, Gary Stewart and Janette Withey

In attendance: Verity Brown (Pro Vice-Chancellor, Impact and Innovation), Dean Curtis (Chief Finance Officer) and Tristan Foot (Acting University Secretary)

Officers: Jane Thomas (Governance Manager)

Apologies: Anulika Ajufo, Solomon Alexis, Mottie Kessler, Tommy MacDonnell and Krunesh Patel

18/68 DECLARATION OF INTERESTS

68/01 NOTED: that there were no declarations of interest.

18/69 MINUTES OF THE MEETING HELD ON 26 MARCH 2018

69/01 RECEIVED and CONFIRMED: the minutes of the Board of Governors' meeting held on 26 March 2018.

18/70 MATTERS ARISING

70/01 NOTED that: all the outstanding actions had been completed.

18/71 MINUTES OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 9 APRIL 2019

71/01 RECEIVED and NOTED: the minutes of the Finance and Resources Committees held on 9 April 2019

18/72 MINUTES OF THE EXCEPTIONAL MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 7 MAY 2019

72/01 RECEIVED and NOTED: the minutes of the Exceptional Meeting of the Finance and Resources Committees held on 7 May 2019

18/73 MINUTES OF THE GOVERNANCE AND SEARCH COMMITTEE HELD ON 9 APRIL 2019

73/01 RECEIVED: the minutes of the Governance and Search Committee held on 9 April 2019.

73/02 NOTED that:

- a) the membership of the Board was considered. It was agreed that Tommy MacDonnell would be approached with an invitation to join the Remuneration Committee. Tommy has since agreed to become a member of this committee.
- b) a list of attendance of governors was received and it was noted that attendance would be included as part of the annual review process. A form for the self-assessment process had been developed which would be sent out for completion by governors in advance of their review meetings with the Chair.
- c) the division of workload across the standing committees was discussed and would be considered further when we had full membership of the Board.
- d) several applications were considered which had been received as a result of an advert placed on the Advance HE portal, although it was noted that we had not just sought potential governors through Advance HE, existing networks had also been used. In addition to the independent members, we were also seeking to recruit two new staff governors. A panel of the Governance and Search Committee was being convened to interview these candidates.

[Secretary's note: the date of the panel of the Governance and Search Committee has now been set for 26 June 2019]

18/74 REMUNERATION COMMITTEE

74/01 RECEIVED: an oral update on the business discussed at the meeting of the Remuneration Committee held on 21 May 2019.

74/02 NOTED that:

- a) an annual cycle of business had been agreed at the meeting. There had been some debate regarding the timing of objective setting and performance reviews for the senior postholders for which the

Remuneration Committee were responsible. This would be discussed more fully at the next meeting of the committee.

- b) it was agreed that an additional meeting should be added to the business calendar in July.
- c) the introduction of an incentivisation framework and bonus scheme was discussed, however, this would be discussed further by UEB before being taken forward.
- d) a draft report to the Board of Governors on the business of the Remuneration Committee was discussed with a view to this being presented at the July meeting of the Board. It was noted that the Office for Students also required us to provide an annual statement.
- e) equality and diversity remained an ongoing issue and it was noted that there were inequalities in pay that existed both within the sector and the organisation.

18/75 VISION 2028

75/01 Strategic Plan Overview

75/02 NOTED that:

- a) UEL had been subject to several restructuring exercises in recent years, however, these restructures had always been driven by financial reasons and had been undertaken at speed, without consideration to process and performance improvement.
- b) the focus for this academic year had been on organisation and gaining contextual oversight and understanding as we move to a new business model, with a focus on delivering an infrastructure for transformative growth and impact. This included aligning both academic and professional services with Vision 2028.
- c) it was proposed that this work would be taken forward in three phases. Phase 1 included the appointment of a Provost role to support the delivery of growth and diversification through our academic units, together with the appointment of a Deputy Vice-Chancellor role which would support the delivery of growth and diversification through our professional services and business operations. It was noted that these were non-substantive roles and would be held in addition to a substantive UEB post and would be appointed from the current University Executive Board for a four-year renewable period and recognised with a non-pensionable honorarium. These two posts would be recruited as part of an internal recruitment process.

- d) phase 2 was aimed at removing the college layer, with a return to individual schools. This was currently in consultation and it was planned to deliver this by August 2019. Phase 3 was currently in development but would be aimed at the alignment of professional services to deliver Vision 2028.
- e) the opportunity to have informal conversations with a wider group before or after Board meetings or its standing committees would be welcome in order to engage in a wider group. In addition, it would be useful to align a governor with each of the institutional priorities, Industry 4.0 readiness, Health gain, EDI and the 'glocal' connected campus.

75/03 **Q3 Performance Update**

75/04 **NOTED that:**

- a) the focus on financial management was to ensure that the University had a robust and conservative approach, rather than year-on-year growth. This was to enable the University to invest and move to a new business model.
- b) from an OfS perspective, it was noted that the University was delivering what it had advised it would deliver, which was part of a planned approach.
- c) the NSS metric for student satisfaction was based on lagging data. The NSS 2019 results would be known on 5 July. It was anticipated that UEL would see a reduction in this metric, taking into account the module evaluation questionnaires which were completed by students in 2017/18 and 2018/19. It was noted that students were not made aware of what the data was used for and how this impacted on our reputation.
- d) equality, diversity and inclusion remained an institutional priority. It was noted that UEL had achieved the Race Equality Charter Bronze Award. In addition, the first senior academic promotions round in 3 years had been announced which showed that the percentage of BAME applicants was 30%, against the number of white applicants at 27% and the percentage of female applicants was 31%, against the number of male applications at 26%. It was also noted that there was a gender pay gap across the whole institution of 9.3% overall, against a benchmark of 13.7%.
- e) there remained an issue both institutionally and nationally in relation to the student attainment gap. Although this had improved over the last three years, BAME students were still less likely to achieve good outcomes. It was recognised that this was a complex issue and there were a number of approaches required to address the issue, especially given that UEL had a very diverse student body, which made the addressing of the attainment gap a priority in our educational provision.

75/05 **Progress against transformation projects**

75/06 **NOTED that:**

- a) in relation to Industry 4.0 readiness, a major strategic partnership with Amazon had been announced. It was noted that the Vice-Chancellor & President was working with the Vice-President of the public sector worldwide and with the Director of Education locally on this project. It was requested that details of the partnership be provided to the governors and it was agreed that this should be circulated with the minutes of the meeting.
- b) a partnership with ABP had also been announced and UEL were also on track to launch a 'developing professional fitness & mental wealth' programme in September 2019.
- c) in relation to Glocal Engagement, the partnership with the University Campus of Football Business (UCFB) was progressing. Partnerships were also being developed with the LDE UTC and Elutec, with work also being undertaken with the Cass Foundation and Amazon to investigate possible partnerships. UEL would also be involved with a Mental Health Project in partnership with Microsoft, which was due to be announced at the end of May.
- d) two of the key areas of investment related to the Connected Campus and Digital 1st. These projects were aimed at bringing together both the physical and digital in one connected strategy going forward. It was noted that the Digital 1st project would be more fully discussed at the next meeting of the Finance and Resources Committee. The first step would be to achieve cloud migration within the next 6-12 months, with data transformation being achieved within 2-3 years and business transformation in 3-5 years. It was noted that the technology would help to increase conversion effectiveness, enhance learner outcomes and diversify education provision.

75/07 **AGREED:** to send out details of the partnership with Amazon with the minutes of the meeting.

75/08 **Corporate Identity Launch**

75/09 **NOTED that:**

- a) the new corporate identity had been launched internally at the recent VC&P staff awards event and would be launched externally on 12 June at the Royal Docks Education and Enterprise Festival. The roll out of the brand would continue to include digital branding, the update of key external signage across all campuses and work would continue to be undertaken on the branding of our Academic Schools and the external sub-brands.
- b) the cost of the new branding had been contained within the current budget allocated for the External Relations Directorate. The importance of having a strong brand and the impact of this on our reputation was recognised.

- c) the VC&P thanked Tommy MacDonnell for his help and support on this project.

18/76 FINANCE

76/01 RECEIVED: a report from the Director of Finance providing an update on the financial position as at the end of March 2019.

76/02 NOTED: the current financial forecast predicted a surplus of around £500,000, which was a significant improvement on the originally anticipated deficit of £2.6m which was submitted to the Office for Students as part of the Medium-Term Financial Strategy. There were risks, particularly in relation to student retention and the impact on our financial position, although it was not anticipated that this would be significant enough to have a major disruption on the final position. However, it was noted that we had already exceeded the financial cost of attrition from the previous year. There was a need to ensure that our bad debt provision was sufficient, and this would be considered in detail by the Finance and Resources Committee.

76/03 RECEIVED: a report from the Chief Finance Officer on the securitisation of the student residences on the Docklands campus.

76/04 NOTED that:

- a) the Medium Term Financial Strategy was based upon the repayment of the loan to Barclays Bank and the generation of cash from our assets. This course of action allowed us to eradicate covenants and remove restrictions on the use of our assets. The repayment of the loan with Barclays Bank was achieved in February, after which a competitive process was undertaken to securitise the student residences at Docklands. The term of the proposed contract was for 35 years and the cost to the University was connected to the level of RPI with a cap and collar of 1 and 4%. The opening yield is just above 3.6%, which was a particularly good rate given UEL's history. In addition, there were limited obligations to the funder other than to continue to pay the cost of the transaction and UEL retained the ability to set student rents.
- b) the advantages of the securitisation project were clear as this would provide the necessary investment to transform the university. However, it was also recognised that there were some disadvantages including the length of time of the contract and, unlike other forms of debt, this was not a contract which could be renegotiated or restructured. It was noted that if UEL failed to keep up its repayments, then the residences would pass to the lessor for the remainder of the lease who would take control of managing, operating and finding the best way to utilise the assets. However, it was recognised that the residences were purpose built as student accommodation and it was unlikely than an alternative use would readily identifiable without major physical alterations.

- c) the possibility of not taking this project forward was discussed, however, it was noted that this would inhibit our ability to invest in the Connected Campus and Digital 1st and would keep UEL in a business cycle of continuing decline.
- d) the Finance and Resources Committee had discussed the detail of the proposed securitisation project at an exceptional meeting held on the 7 May 2019 and were recommending the approval of the project to the Board of Governors.
- e) the Chair of the Board thanked the Chief Finance Officer and his team and everyone involved for all their hard work on this project.

76/05 AGREED: to approve the securitisation of the student residences on the Docklands campus.

18/77 GOVERNANCE ASSURANCE

77/01 Interim Report on the Prevention of Terrorism

77/02 RECEIVED: a report from the Acting University Secretary on the Prevention on Terrorism.

77/03 NOTED that:

- a) the report on the Prevention of Terrorism had been submitted to the OfS in December as part of the annual accountability return. The OfS had written to UEL on 15 April 2019 to confirm that they were satisfied that UEL had “demonstrated sufficient evidence of due regard to the Prevent Duty”.
- b) UEL would be entered into the sample population for Prevent Review Meetings and we would be advised in due course whether we had been selected.
- c) the Prevent Working Group would continue to monitor the University’s compliance with the Prevent Duty. Work would continue on training staff and working with franchise partners to obtain clarity in relation to their work.

77/04 RECEIVED: a report from the Pro Vice-Chancellor (Impact & Innovation) on the progress in preparations for REF2021 and KEF

77/05 NOTED that:

- a) the REF2021 exercise differed from the REF2014 exercise in that institutions are no longer allowed to be selective about which staff to include in the return. For REF2021, institutions are expected to submit all Category A staff who are defined as staff on contracts which are great than 0.2 FTE if they are research-only or teaching and research.

- b) most academic staff at UEL spend the majority of their time in teaching focussed activity, although some staff are additionally engaged in research and/or development and all staff with “significant responsibility for research” have to be included, regardless of the quantity or quality of their research. REF2021 requires that a Code of Practice be produced, and this is currently being developed.
- c) an accelerated REF readiness programme was instigated in December 2018. It was forecast that by the end of 2019 the Code of Practice would be approved, research groups would be working on outputs and impact case studies and impact case studies would be fully developed. Despite these preparations it was anticipated that UEL would not do as well in REF2021 as it did in REF2014.
- d) in relation to the Knowledge Exchange Framework (KEF) submission, it was noted that the submission would be based on the data that we return annually to HESA and the results were expected to be used to inform the allocation of HEIF budget. However, the link between KEF performance and funding was still under consultation.
- e) each University would be categorised into clusters, and we would come under Cluster J, which was made up of mid-sized universities with limited funded research activity and limited world-leading research.
- f) we were currently significantly under performing with respect to other institutions and a process had begun in order to identify why this is so in order for action to be taken to mitigate.

18/78 STRATEGIC OPPORTUNITIES

78/01 Health, Sport & Well-Being

78/02 NOTED that:

- a) in 2019/20 a new University Mental Health Charter would be launched which would focus on the increased need to support mental health. It was noted that this would be a UK-wide scheme to recognise and reward institutions that demonstrated good practice, made student and staff mental health a university-wide priority and delivered improved student mental health and wellbeing outcomes. This is an area which has been highlighted by the government as a priority.
- b) UEL had made considerable progress in this area, which was an institutional priority. A student monitoring process had been put in place which aligned different data sources to highlight students at risk. All students would be given a named contact person who they could turn to if they had a worry about their mental or physical health.

- c) UEL had also won a large competitive bid with the OfS for a Mental Wealth project which took forward activity with students “at risk”

18/79 CHAIR’S BUSINESS

79/01 NOTED that:

- a) one of our staff governors was currently unwell and the Chair of the Board had sent a letter of support on behalf of the Board. In addition, one of our independent governors was currently recovering from surgery. The Chair of the Board wished them both a speedy recovery and it was noted that a card and flowers had been sent on behalf of the Board to both governors.
- b) it was planned to hold informal governor-executive meetings in future in which institutional priorities would be developed by UEB and presented to the Board. It was proposed that these meetings would be an informal forum in which to share opportunities and develop ideas. They would be held on a regular basis, but would not constitute a formal committee, but would be used as a way of developing ideas and proposals which would be presented to the relevant executive, academic or Board committee when appropriate. It was anticipated that an exercise would be undertaken to identify members of the Board with the relevant expertise and experience to contribute to the specific priorities.
- c) Amy Butterworth-Fernandes would be leaving UEL and this was her last Board meeting. The Chair of the Board thanked her for all her hard work and contributions to the work of the Board.
- d) the Chair also tabled both the UEL Articles of Government and the Youth Charter / UEL Social Coach Leadership Workshop Report.

18/80 BAME AND GENDER PAY GAP

80/01 RECEIVED and NOTED: an analysis of the pay gaps at UEL.

18/81 SIZE AND SHAPE OF UEL

81/01 RECEIVED and NOTED: an analysis of the size and shape of UEL as at December 2018.

18/82 STUDENT ACTIVITY REPORT

82/01 RECEIVED and NOTED: a report from the Chief Marketing Officer providing an update on performance for September 2019 for Home/EU and International student recruitment.

18/83 ACADEMIC BOARD

83/01 RECEIVED and NOTED: a report from the Acting University Secretary on the business discussed at Academic Board held on 24 April 2019.

19/84 ANNUAL CYCLE OF INFORMATION

84/01 RECEIVED and NOTED: the annual cycle of information.

18/85 DRAFT SCHEDULE OF MEETINGS FOR THE FORTHCOMING ACADEMIC YEAR

64/01 RECEIVED and NOTED: the draft schedule of meetings of the Board and its standing committees for 2019/20.

18/86 USE OF THE CORPORATION'S SEAL

86/01 NOTED: that the Corporation's seal has not been used to seal any documents since the last meeting of the Board of Governors held on 26 March 2019.

18/87 DATES OF MEETINGS OF THE BOARD OF GOVERNORS

87/01 NOTED: that the date of the final meeting of the Board of Governors for the 2018/19 academic year is 7 July 2019.

18/88 DATES OF FORTHCOMING EVENTS AT UEL

88/01 NOTED: that the following events were due to be held at UEL:

- Sports Awards, 22nd May.
- E-Factor Grand Final, Natwest Conference Centre, 250 Bishopsgate, 29th May.
- Royal Docks Education and Enterprise Festival and UK International Vision 2028 Launch (including the celebration of our Malvern House partnership). 12th June.
- West Africa launch: Programme of VIP events 27th June -7th July
- Graduation Ceremonies, 17th and 18th July.
- VIP University Showcase: programme of showcase visits including Universities Minister and engagement with the Association of Commonwealth Universities. Dates TBC.
- Talent Futures: one-year 'inspiring careers' programme for lower sixth form students. Launch of programme September 2019

SIGNED:


Chair of the Board of Governors

DATED:

9:07:2019