

Kingston University London

MINUTES BOARD OF GOVERNORS

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON WEDNESDAY 24 SEPTEMBER 2008 IN THE TOWN HOUSE, PENRHYN ROAD CENTRE

Present:

Gren Collings (Chair), George Alexandrou, Nicholas Badman, Olrick Coker, Ann Corrigan, Sara Drake, Deirdre Ferrier, Robert Green, Stephen King, Peter Kopelman, Andrew Lomax, Roderic Lyne, Thalia Marriott, Phil Molyneux, Tim Oliver, Peter Scott, David Taylor, Colin Watts and Clarissa Wilks

In attendance:

Deputy Vice-Chancellor, Pro Vice-Chancellor (Employer Engagement), Pro Vice-Chancellor (External Affairs), Pro Vice-Chancellor (Research & Enterprise), Finance Director, University Secretary, Head of Secretariat, Minuting Clerk

The Chair noted that this was the final Board meeting for Mark Kierstan, Andy Lomax and Thalia Marriott. On behalf of the Board, he thanked them for all their work and assistance on the Board and Committees over their years of service and wished them well for the future.

64.0 Apologies for absence

Apologies for absence were received from Stephen Cox, Mark Kierstan, Derek Osbourne, David Reardon and Christine Swabey.

65.0 Minutes of the Board of Governors Meeting held on 16 July 2008

65.1 The Minutes were approved.

66.0 Matters Arising

66.1 Minute 52.5 – It was reported that the Pro Vice-Chancellor, External Affairs had carried out a review on the University's position in the league tables and prepared a draft report, which might be subject to some follow-up work before it was presented to the Board of Governors.

66.2 There were no other matters arising.

67.0 Report on St George's University of London (Paper BG 90/08)

- 67.1 The Vice-Chancellor gave a brief background relating to the St George's University of London (SGUL) options review and the University's proposal. RHUL and Kingston had submitted a joint bid which was subsequently rejected by SGUL, mainly on the grounds that the governance arrangements were deemed to be unworkable. At the invitation of SGUL, separate proposals were then submitted by RHUL and Kingston.
- 67.2 The SGUL Council was due to reach a decision on 30 September. The Vice-Chancellor reported that the SGUL Senate had recommended RHUL as the preferred partner and it was expected that the SGUL Council would accept this recommendation, although it was unclear whether a merger with RHUL would provide a fully effective resolution to SGUL's position.
- 67.3 In the light of this development it was important for Kingston to consider the options available for the future. It was agreed that a merger between SGUL and RHUL would be a better solution for Kingston than if Surrey were to be selected as the preferred partner, and was more likely to ensure the continuation of the joint faculty of Health and Social Care Sciences and the SWan alliance.
- 67.4 When considering how best to respond to the implications of SGUL's likely decision on its involvement in health and social care, the range of options to be considered were: firstly to retain the current position with regard to the joint faculty and SWan, secondly to assume a greater degree of ownership of the joint faculty, and thirdly to disinvest in this area altogether.
- 67.5 It was expected that the University would retain an involvement in the health and social care area. This was driven by a number of significant elements, primarily educational, which was considered to be of paramount importance. A further driver was the existing strong business case which had resulted in considerable financial returns for both SGUL and Kingston. However, this was a less significant area now that funding from the NHS was relatively less secure than it had been in previous years.
- 67.6 The Chair reported that following a meeting he had with the Chair of RHUL, it would appear that RHUL would wish to continue its association with Kingston and that it was recognised that there were a number of mutual advantages in this association. It was noted that RHUL was not a large institution and might benefit from some assistance from Kingston in terms of capacity, if required. Any agreement to work together would need to be on terms that ensured an equitable return to Kingston.
- 67.7 It was agreed that, whilst the anticipated recommendation was a disappointing outcome for Kingston, there were potential positive benefits, and it was important for the University to be clear about its intentions and plans for the future.

Peter Kopelman joined the meeting. The Chair invited him to comment.

- 67.8 Peter Kopelman confirmed that recommendations would be made to the SGUL Council, but that no decision had yet been reached. A formal decision on the preferred partner would be made on 30 September.
- 67.9 Peter Kopelman referred to the minutes of the last Board of Governors' meeting, noting that the Dean of the Faculty of Health and Social Care Sciences had been involved in SGUL's decision making process.
- 67.10 With regard to the joint proposal, he noted that this had been rejected mainly because of concerns raised over the governance arrangements which were considered to be inflexible, and also due to some concerns emanating from the funding council. The Vice-Chancellor commented that he had been aware of issues about governance, but felt that the proposed arrangements were workable.
- 67.11 Peter Kopelman stated that the main concern around a tripartite governance arrangement centred on the possibility that future Principals might have a different approach.
- 67.12 He noted SGUL's gratitude for the effort and resources expended on all three submissions and stated that these had been analysed in detail and evaluated against the strategic framework relating to a number of elements including academic excellence, quality of environment, governance, economic sustainability, the joint faculty and the NHS. A risk assessment exercise and a SWOT analysis had also been carried out. A copy of the framework analysis was given to the Chair of Kingston's Board.
- 67.13 Peter Kopelman noted the importance of SGUL maintaining a high degree of competitiveness within the medical sector in all areas of business, underpinned by high quality research. He noted that SGUL valued its association with Kingston, and that it was intended that the proposed Academic Health Sciences Network model would reflect this in its multi-professional approach, which would build on the joint Faculty of Health and Social Care Sciences and work towards enhancing NHS roles in the future.
- 67.14 The proposal from the SGUL Council was outlined as follows:
- retention of current position rejected as an unacceptable risk
 - due diligence process to be put in place in respect of merger with RHUL
 - 2-year timescale for development of merger with RHUL
 - no merger with Surrey or Kingston
 - maintain relationship with Kingston
 - request extension of SWan funding to support bid
- 67.15 Peter Kopelman also noted that the preference of staff and students at SGUL was to remain within the University of London.

67.16 The Chair, on behalf of the Board, thanked Peter Kopleman for his explanation. It was noted that the Board would now need to consider the University's position and future action.

67.17 The Board expressed its support and appreciation for the work carried out by the Vice-Chancellor and his senior colleagues in respect of the proposal, noting that it had been kept well informed of the process at all times.

67.18 Peter Kopelman reiterated that the evaluation process had been complex and detailed. He acknowledged the work done by Kingston and hoped that SGUL's association with Kingston would continue.

Peter Kopelman left the meeting

68.0 Approval of debt write-off on the recommendation of the Audit Committee (Paper BG 91/08)

68.1 The Finance Director confirmed the University's procedure for debt provision and write-off. The Board approved the recommendation of the Audit Committee to write off the debt outstanding as at the year ended 31 July 2008.

68.2 The Board noted that, on the advice of the external auditors, the area of debt write-off would in future be dealt with by the Finance Committee.

It was resolved that

The Board approve the write-off of £623,053.16 of debt on the recommendation of the Audit Committee

69.0 Approval of recommendations from the Nominations Committee (Paper BG 92/08)

69.1 The University Secretary reported that several members of the Board were reaching the end of their final term, and other members were finishing their first term of office. The Nominations Committee was recommending that the Board approve the re-appointment of Board members for a second term of three years or for an additional and final year, as detailed in paper BG 92/08.

69.2 Following the forthcoming departure of Mark Kierstan, Andy Lomax and Thalia Marriott, vacancies would be created on the Board for two independent members and one co-opted.

69.3 A Nominations Committee panel comprising the Chair, the Vice-Chancellor and the Chair of the Finance Committee had interviewed short-listed candidates in the summer in accordance with the previously agreed process. The Nominations Committee recommended that the Board should approve the appointment of Mr Tony Beadle as an independent member. It was reported that Tony Beadle was a strong candidate with extensive commercial

experience, which would be a useful asset to the Board. A copy of his CV was attached to paper BG 92/08.

- 69.4 It was important that one of the forthcoming vacancies was filled by an individual with estates experience, to replace the skills gap resulting from Andy Lomax's impending retirement. It was reported that the Nominations Committee panel had, earlier in the week, interviewed Mr Lawrence Parnell who had the relevant background. The recommendation of the Nominations Committee was that Lawrence Parnell should be appointed to the Board, if he was available and able to do so. Copies of his CV were made available to the Board.
- 69.5 It was noted that the retirement of Thalia Marriott from the Board would result in a skills gap in the area of education. The Vice-Chancellor confirmed that he was in the process of looking for a suitable replacement from either within the FE sector or from another HEI.
- 69.6 As a result of the forthcoming changes in Board membership, a number of vacancies would arise on several of the Board's standing committees. The Nominations Committee was therefore recommending that Tony Beadle be invited to join the Audit Committee, Lawrence Parnell, if available to become a member of the Board, be invited to join and chair the Estates Committee and the individual with the educational background yet to be appointed, be invited to join the Employment and Diversity Committee.
- 69.7 The Board agreed with all the recommendations made by the Nominations Committee.

It was resolved that

The Board approve the re-appointment of the following governors for a second term of three years, from 21 November 2008:

Nick Badman, Sara Drake, Tim Oliver, Derek Osbourne, David Taylor

The Board approve the re-appointment of the following governors for an additional and final year, from 21 November 2008:

Stephen Cox, Christine Swabey, Colin Watts

The Board approve the appointments of Tony Beadle and Lawrence Parnell as independent members

The Board approve the appointment of an appropriate individual with an educational background as a co-opted member, to be authorised by Chair's Action

The Board approve the proposed appointments to its standing committees, as detailed in minute 69.6

70.0 Approval of new bank account with the Bank of Scotland (Paper BG 93/08)

70.1 The Finance Director reported that the opening of a new bank account for investing surplus funds would enable the University to make the best use of its treasury management policy and cash reserves. It would also give the benefit of greater flexibility and the opportunity of earning a better rate of interest. The Board approved the opening of the new bank account.

It was resolved that

The Board approve the opening of a new bank account with the Bank of Scotland

71.0 Vice-Chancellor's Report (Paper BG 94/08)

71.1 Funding outlook:

71.1.1 The Vice-Chancellor reported on national issues which could affect the financial position of the University (and HEIs in general). It was noted that, under the current three-year pay deal, the final increase payable due in October was linked to the Retail Price Index, and was therefore likely to be in the region of 5%. This was anticipated to have serious consequences for a number of HEIs. However, it was noted that the University would be able to absorb the increased wage costs, without having to take advantage of the agreed arrangement allowing delayed payment of the increase on the grounds of financial difficulties. It was thought unlikely that this option would be utilised by many institutions due to its possible negative reputational impact.

71.1.2 It was noted that the current year was the last year when the University would benefit from the boost from top-up fees and that from next year, all students would be paying the full fee rate.

71.1.3 The overall public expenditure climate was such that, any substantial increase in higher education funding was considered unlikely in the near future. Additionally, the University was likely to have its grant reduced as a result of HEFCE's recent audit of student numbers, which could impact on any future bid for ASNs (Additional Student Numbers). These combined factors pointed to a lower increase in income than in recent years.

71.1.4 It was reported that there were policy changes in funding arrangements for widening participation which would further affect HEIs such as Kingston. The new proposed model combined teaching enhancement with widening participation and was very different to the current model used by the University. The likely effect was a possible further reduction in funding support.

71.1.5 In addition to the national issues outlined above, the University was embarking on further major building projects, the two main ones being the

construction of a new Business School at Kingston Hill and the refurbishment of the Knights Park campus. Both these projects were essential for the University's planned strategic development, but the cost implication would be significant.

71.1.6 The implications of these financial issues were that the University would need to revise its financial forecast and carry out a more systematic review of its cost base. These changes in focus would be reflected in the developing Strategic Plan. However, it was important to note that the University was in a sound financial position and its past good performance would provide some protection in the future as well as increase its competitive advantage.

71.1.7 It was not expected that the current global economic crisis would have a direct adverse financial impact on the University. However, it was possible that it could lead to a reduction in international recruitment in the future, although it was less likely to affect home / EU applications. A possible negative effect was the reduction in Continuing Professional Development interest as training budgets were increasingly reduced. It was noted that, whilst international applications may be affected by less beneficial exchange rates, there could be an increase in certain areas with applicants seeking career changes and new qualifications.

71.1.8 It was noted that a draft of the new Strategic Plan, taking into account the anticipated consequences of the current funding outlook, as well as the forthcoming outcome of the SGUL Options Review, would be presented to the next Board meeting in November for discussion, and thereafter to the Away Day in December for approval.

71.2 National Student Survey

It was reported that the University's overall level of student satisfaction had increased by 3% against a national increase of 1%. It was agreed that this was a very good outcome and, on behalf of the Board, the Chair congratulated the staff and students for their efforts in achieving this result.

71.3 HEFCE Performance Indicators

It was reported that the University performed significantly above its benchmarks in most areas of the annual HEFCE performance indicators. It was noted that further details could be provided on request.

71.4 Student numbers

71.4.1 It was difficult to predict accurate student numbers as the figures included in the report represented a 'snapshot in time' and were subject to continuing change. However, the indications were that most targets would be achieved.

71.4.2 Recruitment to Foundation Degrees had slowed considerably, which was reported as being a national trend. There was also a national decline in recruitment to nursing courses.

71.5 HEFCE Audit

71.5.1 The recent HEFCE audit had uncovered some fundamental deficiencies within the University's student data systems, particularly in the area of reporting non-completions. It was noted that the process of recording data relating to academic progression was a highly complex area.

71.5.2 Part of the problem was that the coding system set up some years ago was designed for internal purposes rather than external reporting. Also, the University used a complicated modular system, which resulted in excessive detail being reported.

71.5.3 It was noted that the University would have to present an action plan (to HEFCE) by the end of October 2008. This action plan would address three specific areas – academic issues, systemic issues and student support issues. An urgent reconciliation process was currently underway. It was important to ensure that the University had clear processes for recording accurate data, which was a vital element for planning purposes.

71.6 Quality Assurance Agency

It was reported that following a complaint from a whistle-blower about an allegation relating to an external examiner changing a report, HEFCE had referred the matter directly to the QAA (Quality Assurance Agency) which was now investigating the matter.

71.7 St George's University of London

71.7.1 Further to the earlier discussion about SGUL, the Vice-Chancellor reiterated that the University would need to consider the three options previously indicated in relation to health and social care: 1) to retain the current position; 2) to assume a greater level of ownership of the joint faculty; and 3) to disinvest in the area. It was important not to under-estimate the strength and value of the Faculty of Health and Social Care Sciences, and the most likely option was considered to be the first one; however, it was crucial to ensure that future work on the joint faculty was based on an equitable relationship between all parties, with robust governance arrangements, and it was noted that the Joint Venture Agreement would need to be re-negotiated accordingly.

71.7.2 A two-year period was being proposed for developing the SGUL – RHUL merger. It was noted that Kingston would inevitably be involved in this complicated process, and would need to efficiently control the level of its investment and resources.

Action: (Minute 71.1.8) Final draft of the Strategic Plan to be presented to the Board for discussion at its next meeting in November and for approval at the Away Day meeting in December [Vice-Chancellor]

The Finance Director left the meeting.

72.0 CDP Progress Report

(Verbal report)

- 72.1 The University Secretary gave a progress report on the Campus Development Plan since the last Board meeting in July. He reported that the Stage C development work at Kingston Hill and the feasibility study at Knights Park were reaching completion, and that a substantial amount of useful work had been carried out to date at the design stage.
- 72.2 It was anticipated that there could be significant cost pressures in respect of planned works and this matter would be discussed by the SMG and brought back to the Board via the Estates Committee.
- 72.3 A number of small projects had been carried out at Penrhyn Road over the summer period. It was reported that these works were broadly on schedule and within budget, and were now close to completion. There were a few issues causing minor delays, but these areas were under control and being managed effectively, and would cause no adverse impact on course delivery at the campus.
- 72.4 It was reported that there had been a good degree of involvement with staff in the development work at Kingston Hill, which had had a positive effect.

73.0 Progress report on Kingston International Study Centre

(Paper BG 95/08)

- 73.1 The Pro Vice-Chancellor, External Affairs gave a progress report on the Kingston International Study Centre, as requested by the Board at its last meeting in July, focusing primarily on the three main areas of quality assurance, termination of contract and space issues.
- 73.2 It was confirmed that students joining the programme would be registered as Kingston University students and that the University would provide quality assurance at the same level as for its franchised courses.
- 73.3 Arrangements for the termination of the contract were similar to those the University had with existing collaborative partners, which were confirmed as acceptable to Study Group.
- 73.4 Pending further campus development work at Kingston Hill, it was reported that temporary accommodation would be installed at the campus for the planned start of the programme in September 2009. The temporary

accommodation would be purchased rather than leased since costings had shown that the purchase price was comparable to 5-year leasing charges.

73.5 The Pro Vice-Chancellor reported that he had been in contact with the University of East Anglia, where a similar scheme was in place, and which had been confirmed as a successful initiative.

73.6 It was anticipated that negotiations would be completed and the contract with Study Group signed by the end of October 2008.

74.0 Board of Governors Annual Plan for 2008/09 (Paper BG 96/08)

74.1 The Board of Governors Annual Plan for 2008/09 had been considered by the SMG and was presented to the Board for information.

Ann Corrigan left the meeting.

Michael Hill, Head of Widening Participation and Acting Head of Academic Development joined the meeting for the next item.

75.0 Presentation on Engagement with Schools and Colleges (Verbal presentation)

75.1 The Deputy Vice-Chancellor introduced a presentation on the University's engagement with schools and colleges, the purpose of which was to give greater awareness of the University's work in the field of education and which had emanated from a request made by the Board of Governors at one of its meetings earlier in the year. It was noted that involvement across all levels of education (below HE) formed part of the University's mission statement. The University was also involved in the area's cultural and economic life and it was important to place its work with education within that general context.

75.2 The University's work with education was centred on two areas – the School of Education and the Education Liaison Team, and all parts of the University made a contribution to this work. Last year, over 90 events were delivered for about 2,700 pupils across 115 schools.

75.3 The work of the School of Education covered the entire age range from pre-school children up to work in colleges, and involved networking and conferences as well as teacher training across south London and parts of Surrey. The provision of the Foundation Degree in Education was recognised as being one of the best in the country. At the secondary school level, the University was the lead in the South West London Education Consortium of 252 schools.

75.4 The Education Liaison Team was involved in a variety of activities and initiatives, aimed primarily at pupils with little family tradition of higher education. Activities ranged from raising awareness to attainment raising

programmes, and much work was done through the Aimhigher Project, a group comprising 35 schools targeting areas of deprivation and borderline GCSE rates.

75.5 The Head of Widening Participation continued the presentation, noting that the work carried out in the field of education was based on government strategy and policy, which needed to be linked in with the University's strategy. The presentation included details of specific activities available across all age groups, activity case studies, details of the Compact Scheme aimed at students from local authority care backgrounds or those with no tradition of university entry, details of the Aimhigher Partnership and details of the Student Ambassador Scheme.

75.6 The Board thanked Mary Stuart and Michael Hill for their presentation, and noted its appreciation of the highly useful support work to schools and colleges which the University was engaged in. It was noted that the presentation slides would be circulated electronically to the Board, and any Board member who wanted further information was invited to contact Michael Hill directly.

Action: *Presentation of Kingston University's engagement with schools and colleges to be circulated to the Board of Governors electronically [Secretariat]*

Stephen King and Tim Oliver left the meeting.

76.0* Academic Board Minutes of the meeting held on 11 June 2008

76.1 The Board noted the Academic Board Minutes.

77.0* Minutes of the Nominations Committee meeting held on 28 August 2008

77.1 The Board noted the Minutes of the Nominations Committee meeting.

78.0* Minutes of the Audit Committee meeting held on 11 September 2008

78.1 The Board noted the Minutes of the Audit Committee meeting.

79.0 Any Other Business

79.1 There was no other business.

All internal Board members and attendees left the meeting for the next item.

80.0 Report following the Remuneration Committee meeting held on 16 July 2008
(Paper BG 97/08 – confidential)

It was agreed this Minute be confidential.
(See *Confidential Minutes attached*)

81.0 Date of next meeting

The next meeting of the Board of Governors was scheduled for Wednesday 26 November 2008 in the Town House at Penrhyn Road.

There being no further business, the meeting ended at 11.05am.

Ref:Governors\Minutes\BoG240908 Draft