

# Kingston University London

## MINUTES BOARD OF GOVERNORS

### MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON WEDNESDAY 17 MARCH 2010 IN THE TOWN HOUSE, PENRHYN ROAD

#### **Present:**

Gren Collings (Chair), George Alexandrou, Tony Beadle, Chris Brooks, David Carter, Stephen Cooksey, Sara Drake, Lesley Granger, Robert Green, Frank Kennedy, Peter Kopelman, Roderic Lyne, Nona McDuff, Phil Molyneux, Derek Osbourne, David Reardon, Sue Rimmer, Peter Scott, David Taylor and Clarissa Wilks

#### **In attendance:**

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

#### **16.0 Apologies for absence**

Apologies for absence were received from Ann Corrigan, TJ Esubiyi and Steve King.

*All non-members of the Board left the room for the following item.*

#### **17.0 Appointment of Clerk to the Board of Governors** (Paper BG 36/10)

- 17.1 The Vice-Chancellor said that, following the resignation of Donald Beaton as University Secretary, it was decided to revise the responsibilities of the Senior Management Group whilst retaining the current position of Clerk to the Board as a member of the SMG. It was proposed that Neil Latham, Pro Vice-Chancellor, Employer Engagement should take over the responsibilities of University Secretary and Clerk to the Board.
- 17.2 The Board discussed the possible impact on the support it received given the additional responsibility of the new post-holder. However, it was noted that this had been carefully considered and was not believed to be an issue, particularly since there was strong support in the governance and legal team.
- 17.3 The Vice-Chancellor and Chair jointly recommended that Neil Latham, Pro Vice-Chancellor be appointed as University Secretary and Clerk to the Board with effect from 23 April 2010. It was noted that the Board was

constitutionally required to approve the appointment of Clerk to the Board. The Board approved the recommended appointment.

It was resolved that:

Neil Latham, Pro Vice-Chancellor be appointed University Secretary and Clerk to the Board with effect from 23 April 2010

*The non-members of the Board returned to the meeting, and the Chair congratulated Neil Latham on his new appointment.*

## **18.0 Minutes of the Board of Governors Meeting held on 20 January 2010**

18.1 The Minutes were approved.

## **19.0 Matters Arising**

19.1 There were no matters arising which were not covered elsewhere on the agenda.

## **20.0 Vice-Chancellor's Report** (Paper BG 32/10)

20.1 Student number cap

The Vice-Chancellor reported on HEFCE's letter notifying all universities that fines would be imposed on each additional student recruited in excess of the fixed cap. It was noted that the 2010/11 headline figure for the University was broadly in line with expectations. The main issues for the University were the need to manage student intake to avoid both over and under-recruitment, and the question of bidding for extra numbers should there be a late release of additional places. Another issue to note was the possible impact the cap on numbers would have on the relationship with FE partner institutions. It was noted that there continued to be a strong demand for applications. One likely outcome was that the reduction in available places would allow greater selectivity on recruitment in some subjects.

20.2 HEFCE visit and grant letter

The Vice-Chancellor reported on the recent annual visit by HEFCE and the grant allocation for the next academic year. In broad terms, all universities had been awarded grants of similar amounts to the current year within margins of + / - ½ %. In real terms, the University's research funding had been reduced by 3% of the current figure of £3m, and teaching funding by 0.18%. The most significant change was an increase in core funding by over £700k; however there had been reductions in other areas such as

widening participation. The overall outcome was slightly better than expected, particularly since the funding base had not been amended due to non-completions which meant that the estimated claw-back of £1.3m would not apply. It was reported that the capital expenditure figures would be announced in June. These were difficult to predict at this stage, but were likely to be reduced by £200 - £400k.

### 20.3 UCEA consultation:

It was reported that the University and College Employer Association (UCEA) was consulting universities on the level of pay increase for this year. Most universities were proposing minimal increases, if any. It was noted that the Trade Unions' focus had shifted more towards job security.

### 20.4 Scenario Planning:

The Vice-Chancellor gave a progress report on Scenario Planning, noting that a more substantial report would be made to the Board at its July meeting. The first round of the Scenario Planning exercise based on reductions of 2.5% had been completed and considered by the SMG and Executive Board. It was noted that this had been a complex exercise dealing with a range of reductions, and that it had been addressed seriously and extensively across the University. A large number of proposals had been submitted and it was clear that these were based on a high level of consultation across faculties and departments. Proposals had been allocated into three categories relating to risk and delivery, identified by colour coding, as explained in the Report. It was reported that at this stage, most of the proposals were in the green and amber categories, rather than the higher risk red.

It was noted that the context in which Scenario Planning had been undertaken, had recently changed significantly in two ways. Firstly, there would be a substantial surplus in the financial outturn, which was likely to be £2.4m over the forecast, and secondly, it was possible that the current uncertainty over HE funding could be more prolonged than anticipated. In the light of these changes the SMG had proposed a number of recommendations, which were approved by the Executive Board and outlined in the Vice-Chancellor's Report. The emphasis on this first stage of the exercise was to improve the University's performance and increase its efficiency. The Scenario Planning and Fitness for Purpose exercises would be brought together and final decisions on cost reduction would be made following the outcome of the combined initiative. It was likely that there might be further funding cuts in the future and it was important for the University to have in place the appropriate measures for responding to this possibility and to consider timeframes for the implementation of any necessary action.

It was noted that consideration would be given to University-wide savings across faculties and departments. Any proposed distribution of cost savings would be considered in the context of the Academic Strategy. The

future possibility of additional income through increased fees was noted. However, the University was not including this potential income in its plans at present.

It was reported that there was some anxiety amongst staff over job stability and a lack of communication. The Vice-Chancellor said that the Scenario Planning process had been communicated regularly via the intranet; however at this stage it was not possible to provide further information, since no decisions had yet been made on future action. In addition to using the intranet, the importance of managers communicating with staff was noted.

In summary, the Chair noted that clear progress had been made and awaited more detailed proposals at the Board meeting in July 2010.

#### 20.5 Other major projects:

The Vice-Chancellor reported on the other major projects which were all proceeding on schedule. A preliminary report on *Academic Foresight* had been produced with regard to the major themes to be used in teaching and research programmes. This would be developed into a more substantial detailed report, which was acknowledged as being a complex task.

A large number of applications had been received for the position of Dean of the new *STEM Faculty*, and these were being assessed. The STEM implementation group and its sub-groups were in the process of developing the structure of the new faculty, the final proposal for which would be considered by the Academic Board in June.

As mentioned previously the *Fitness for Purpose* exercise would be combined with Scenario Planning. External consultants, Tribal, had been commissioned to carry out a benchmarking exercise, in order to review functions across the University and enable identification of key priority areas.

#### 20.6 DVC and PVC portfolios:

The recent appointment of David Mackintosh as Deputy Vice-Chancellor, followed by the imminent departure of Donald Beaton had provided an opportunity to review the SMG structure. The Board had discussed, earlier in the meeting, the new appointment to the post of University Secretary and Clerk to the Board. The details of the re-organised portfolios of the Senior Management Group were listed in the Vice-Chancellor's report.

#### 20.7 St George's University of London:

The Vice-Chancellor reported on the joint governance group which had been established between the University and SGUL, with the main objectives of revising the partnership document and developing the relationship between the two institutions in terms of integrating and

developing shared services. It was agreed that the two institutions should capitalise on this unique partnership, which presented a very good opportunity for developing the provision of training health professionals.

#### 20.8 South West London Academic Network:

It was noted that the long term development of SWan would be considered further following the forthcoming appointment of the new Principal at Royal Holloway. However, the three institutions had agreed that the current level of commitment should be continued until the end of the academic year 2010/11. The main proposed change was that the initiative should be based around two institutes, in place of the current three, as detailed in the Report.

#### 20.9 Other matters to report:

20.9.1 The Vice-Chancellor reported on the recent death of Professor Mike Pittilo, who had been the foundation Dean of the Faculty of Health and Social Care Sciences from 1995 to 2001.

20.9.2 The Vice-Chancellor noted this was Donald Beaton's last meeting before taking up his new post at SOAS, and thanked him for his contribution as University Secretary over his time at the University.

### **21.0 Campus Development Plan Progress Report** (Paper BG 33/10)

21.1 The University Secretary reported on progress with the Campus Development Plan since the last Board meeting in January, noting that the construction work at Kingston Hill had now started and that overall, the Plan was progressing on course.

21.2 The Project Assurance Group (PAG) had agreed that the projects at Penrhyn Road and Knight's Park should go to full tender on all issues. It was noted that tenders to date had been coming in at below estimated figures. However, should these be over budget, the work could be prioritised or value engineering exercises could be carried out. Evaluation of tenders would be considered by the Estates Committee and a proposal would subsequently be presented to the Board of Governors for its approval.

21.3 The Board considered the possible impact of reductions in HEFCE capital allocation. The Finance Director said that funding cuts would be mainly in respect of capital equipment, although it was likely that qualifications would be introduced relating to institutions' management of carbon emissions.

21.4 The Finance Director explained the footnotes relating to the Kingston Hill budget. The first footnote related to the inclusion of additional fees for services of £158k; the second (non-core fees) was the cost of the client

supervising architect following the novation of the design agreement; and the third related to outstanding prolongation costs following the dispute over contract interpretation.

*Action: Further CDP Progress Report to the Board meeting on 19 May [University Secretary]*

## **22.0 Effectiveness review of the Board of Governors** (Paper BG 34/10)

- 22.1 The University Secretary presented the report, which was intended as a paper for discussion ahead of a detailed proposal to be submitted to the Board at its meeting in July. In line with CUC guidance, the Board was required to review its effectiveness and that of its standing committees on a regular basis. The next programme of reviews was scheduled to start at the beginning of the 2010/11 academic year. The purpose of today's discussion was for the Board to provide a steer on the proposed approach and framework for the review.
- 22.2 It was noted that amendments to statutory governance arrangements had been proposed by the sector, which would give a greater degree of flexibility in reviewing institutional Articles of Government. However, the process had been delayed and legislation had not yet been passed. The Board agreed that it should review its effectiveness ahead of considering possible changes to the legal framework.
- 22.3 The Board discussed the following possible options for the format of the review: the use of external consultants; the use of internal audit services; a review panel to include governors and senior managers, with or without external representation. It was agreed that a degree of independent input was desirable. The consensus was that the exercise should be conducted by a review panel, supported by external representation. It was important that a clear mandate should be prepared, against which the appropriate consultant or external representative would be selected.
- 22.4 The last effectiveness review process in 2006, which had included the use of an external consultant, had worked well and raised a number of issues, in particular the relationship between the Board of Governors and the Academic Board. It was noted that no structural changes had been implemented to the Board or its Committees as a result of the review. However, a number of minor changes were made following the review of the standing committees.
- 22.5 It was agreed that a detailed proposal including timeframe would be put together on the basis of today's discussion.

*Action: Detailed proposal and timeframe for effectiveness review to be presented to the Board at its meeting in July 2010 [University Secretary]*

### **23.0 Appointment of independent member to the Board of Governors** (Paper BG 35/10)

- 23.1 In line with the previously agreed process, a panel comprising the Chair, the Vice-Chair, the Vice-Chancellor and the University Secretary had interviewed a shortlist of three candidates to fill the current vacancy on the Board. The panel recommended that the Board approve the appointment of Ann Allen with immediate effect. The Board approved the recommendation.

It was resolved that

The Board approve the appointment of Ann Allen to the Board of Governors with immediate effect.

### **24.0 Appointment of External Auditors** (Paper BG 37/10)

- 24.1 The Chair of the Audit Committee explained that the current external auditors, BDO Stoy Hayward had been appointed on a two-year basis, following the University's dissatisfaction with the previous service providers. Following a formal selection process by a panel including two members of the Audit Committee, the recommendation by the Audit Committee was that BDO should be appointed for a further three-year term with effect from 1 August 2010.

It was resolved that

The Board approve the appointment of BDO Stoy Hayward as external auditors for a three-year period from 1 August 2010.

### **25.0 Approval of extension to IQ Wave Contract** (Paper BG 38/10)

- 25.1 The Finance Director reported on the proposed extension for a third year, of the contract with IQ Wave for the provision of student accommodation. It was reported that the management of the IQ Wave accommodation had improved significantly in the second year, and that the take-up by students was good. The Board agreed to approve the extension of the IQ Wave contract for the 2010/11 academic year.

It was resolved that

The Board approve the extension to the IQ Wave Contract and authorise the Chair to sign the contract

*Peter Kopelman left the meeting.*

## **26.0 Sustainability Report**

(Paper BG 39/10)

- 26.1 The University Secretary presented the Sustainability Report which had been considered in detail by the Estates Committee and was presented to the Board for information.
- 26.2 One of the University's fundamental objectives was to reduce energy consumption and carbon emissions. A significant amount of groundwork had been done in terms of putting in place appropriate measures and technical solutions for carbon management. This was particularly important in view of the likelihood that HEFCE funding allocations would be linked to institutions' carbon reduction in the future. It was anticipated that there would be clear evidence of positive progress within twelve months.
- 26.3 It was also important to encourage changes from a cultural and behavioural perspective, and to promote ways in which staff and students could make a tangible difference and help to meet the Government's target of a 20% reduction in energy consumption by 2020.
- 26.4 It was noted that measures to reduce consumption were being introduced in new construction, such as the ground source heat pump which it was planned to install at the Kingston Hill new build.
- 26.5 The Board discussed the issue of ethical investment. It was noted that a Treasury Management policy was in place and that recent investments had been made mainly with Government owned UK banks. With regard to other significant investment, the University had no influence over the RBK Pension Fund as it was an admitted member only with no voting rights. It was important to balance ethical concerns against investment opportunities. It was agreed that the Finance Committee would be asked to consider this issue in greater detail.
- 26.6 It was suggested that sustainability targets should be a key objective of scenario planning measures and used as one of the explicit criteria in the evaluation of cost reduction proposals. It was agreed that sustainability measures would be incorporated into the later stages of the scenario planning process.

Action: Review of treasury management policy and investment opportunities against ethical consideration [Finance Director]

## **27.0 Equality Report 2008/09**

(Paper BG 40/10)

- 27.1 The Chair of the Employment and Diversity Committee reported that the consolidated Equality Report 2008/09 had been considered in detail by the Committee at its last meeting, and was presented to the Board for information. It was noted that a significant amount of work had been

carried out in respect of impact assessments and that good progress had been made in this area, with the University being commended for good practice with its approach to the process.

## **28.0 HEFCE Consultation Documents on the revised Financial Memorandum and regulating HEIs as charities** (Paper BG 41/10)

- 28.1 It was reported that the HEFCE consultation documents on the revised Financial Memorandum and regulating HEIs as charities had been considered by the Audit Committee and were presented to the Board for information. It was confirmed that the University's responses to the documents had been submitted.

*Bruce Armstrong, the Director of Student Services and Administration joined the meeting for the next item*

## **29.0 Report on the Sports Strategy** (Paper BG 42/10)

- 29.1 The Director of Student Services and Administration presented the report on the University's Sports Strategy, which was a follow-up to the KUSU report on its 'Support our Sports' campaign and had been considered by the Board at its last meeting in January.
- 29.2 The Sports Strategy, which had been developed in consultation with KUSU, had been approved by the Senior Management Group in July 2009. It was noted that the University was committed to improving its sports and recreational facilities and was working closely with KUSU in order to make the best use of its existing resources. One of the aims was to consider the possibility of pooling resources to form a sports federation.
- 29.3 A substantial investment had been made to improve the facilities at Tolworth Court, including irrigation of playing fields and a new sports pavilion. However, it was noted that planning constraints restricted the use of the land at Tolworth Court.
- 29.4 Other initiatives included exploring the possibility of partnerships with other providers in the community, such as schools which were seeking to expand existing facilities and looking for investment, and collaboration with local sports clubs and organisations. Work was also being undertaken to develop community spaces.
- 29.5 However, it was acknowledged that the development of facilities was piecemeal, and that there was no suitable location currently available for the construction of a sports hall.

- 29.6 It was noted that as a general rule, Wednesday afternoons were kept free for non-academic activities, with no formal scheduling of lectures at this time for most under-graduate students. However, this was not always possible in a university the size of Kingston, particularly since this issue was not necessarily relevant to the entire student body.
- 29.7 In summary, the report identified the inadequacy of existing sports and recreational facilities and acknowledged the University's long-term commitment to improve provision as far as possible, notwithstanding the difficulties of geographical and physical constraints, and the need to achieve the correct balance against a range of investment priorities and requirements.

*The Director of Student Services and Administration left the meeting.  
Clarissa Wilks left the meeting.*

**30.0\* Health and Safety Update Report**  
(Paper BG 43/10)

- 30.1 The Board noted the Health and Safety Update Report

**31.0\* Finance Report for January 2010**  
(Paper BG 44/10)

- 31.1 The Board noted the Finance Report for November 2009.

**32.0\* Minutes of the Audit Committee meeting held on 4 February 2010**

- 32.1 The Board noted the Minutes of the Audit Committee meeting.

**33.0\* Minutes of the Estates Committee meeting held on 11 February 2010**

- 33.1 The Board noted the Minutes of the Estates Committee meeting.

**34.0\* Minutes of the Finance Committee meeting held on 18 February 2010**

- 34.1 The Board noted the Minutes of the Finance Committee meeting.

**35.0\* Minutes of the Employment & Diversity Committee meeting held on 25 February 2010**

- 35.1 The Board noted the Minutes of the Employment & Diversity Committee meeting.

### **36.0 Any Other Business**

- 36.1 The Chair, on behalf of the Board, noted that this was Donald Beaton's last meeting as University Secretary, thanked him for his work at the University and wished him well in his new appointment.
- 36.2 The Finance Director reported that there had been allegations of racial discrimination at KUSCO and that an independent investigation was underway, with anticipated conclusion within the next two weeks.
- 36.3 There was no other business.

### **37.0 Date of next meeting**

The next meeting of the Board of Governors was scheduled for Wednesday 19 May 2010 in the Board Room, TH102/103 at Penrhyn Road.

There being no further business, the meeting ended at 11.00am.

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