

**MINUTES OF THE BOARD OF TRUSTEES**

**FRIDAY 26 May 2017**

Present: Ms T Beech, Professor H Brady, Mr D Burn (Chair), Mr R Cowap, Mx J Cross, Ms J Goldstein, Dr M Hamlin, Ms L Ho, Sir R Kerr, Dr S-A Kitts, Professor B Lumb, Dr J Manley, Professor S Mann, Mr R Massie, Professor G Orpen, Mr A Poolman, Mr M Saddiq, Professor J Squires, Ms V Stace, Ms A Stephenson.

In attendance: Professor N Canagarajah, Mr S Chadwick, Ms R Geller, Ms K Gullon (Clerk), Professor J Iredale, Mr R Kerse, Professor N Lieven, Dr E Lithander, Ms L Robinson.

Apologies: Mr James Wetz.

**1. Welcome and announcements**

1.1 The Chair welcomed members of the Board of Trustees to the meeting. It was noted that the meeting had been duly convened and that a quorum was present. In particular, it was confirmed that:

- notice of the meeting had been given to each member of the Board who was entitled to receive it; and
- each member of the Board who was not available to attend was aware of the purpose of the meeting and had agreed to the proposals to be considered at it.

1.2 The Chair noted that Laura Ho and Jamie Cross would reach the end of their final terms as Board members on 30 June, and that this would therefore be their last meeting. Ms Ho and Mx Cross were thanked for their service to the Board, and received a round of applause from Board members in recognition of the contributions that they had made.

**2. Apologies**

2.1 NOTED.

**3. Declaration of interests**

3.1 Members were reminded that they had an obligation to disclose any pecuniary, family or other personal interest that they had in any matter under discussion at any meeting of the Board of Trustees as soon as practicable. Members were reminded of their fiduciary duty to avoid conflicts of interest.

3.2 The Chair declared interest an interest in discussions regarding the University's sponsorship of the merged Colston Girls' School Trust and Merchants' Academy Trust.

**4. Minutes of meeting(s) on 16 & 17 March 2017**

4.1 CONFIRMED.

**5. Matters arising and actions**

5.1 There were no immediate actions arising from the previous meeting and all actions are in hand.

**6. Chair's report\***

6.1 RECEIVED and NOTED (reference **BT/16-17/075**).

6.2 In particular, the Board noted that two candidates had been formally nominated by the Nominations Committee of Court to become lay members of the Board from 1 January 2018. Those candidates would be considered by Court at its annual meeting in December, and would attend Board meetings (as observers) from October as part of their induction.

**7. Vice-Chancellor's report\***

7.1 RECEIVED and NOTED (reference **BT/16-17/076**).

7.2 The Vice-Chancellor provided an overview of current issues. In particular, the Board noted that there was a general sense of momentum across the University, although there was still significant uncertainty regarding the higher education sector more generally. Whilst recent improvements in league table performance were encouraging, the University was mindful that the Teaching Excellence Framework (TEF) remained a somewhat unknown quantity.

7.3 The Vice-Chancellor advised the Board as to the key points of the Conservative and Labour manifestos for the forthcoming general election, and the implications of the general election for higher education were considered.

7.4 The Board considered the statement that the University intended to publish regarding its links to trade and industry in the 19<sup>th</sup> century, noting the very interesting debate that had been triggered in Bristol regarding the naming of buildings in honour of families who had prospered in that era. The Board noted, in particular, that the University was engaging with the student body to consider ways in which the University could recognise the complexities of its history.

7.5 After some debate, the Board further noted the complexities of this matter. The University was encouraged to continue to seek ways in which it could more proactively narrate its history, in a way that was cognisant of modern values and its commitment to equality and diversity.

7.6 The Board noted that, earlier that morning, a special committee had met to consider the Enterprise Resource Planning programme (ERP). The special committee had approved the University going through 'Gateway One', which was encouraging for the planned go-live of April 2018.

7.7 The Board noted an update in respect of the Student Lifecycle Support Programme (SLSP), noting that Deloitte would be undertaking a review of the governance of the programme.

7.8 The Board noted that the University was continuing to liaise with HEFCE regarding the impact of the University not reaching its publication threshold in respect of the National Student Survey (NSS). There was divergence of opinion across the sector as to how HEFCE should treat NSS data for 2017, given the impact of the NSS boycott.

7.9 The Board noted discussions in student (and other) media regarding sexual harassment and violence that had affected University students. The University was

supporting the students who had disclosed that they had been affected. It was clear that this represented a national challenge, and the Board reflected on initiatives being developed at the University (such as the introduction of a reporting tool, and consent workshops) and beyond (such as the city-wide zero tolerance initiative).

- 7.10 The Board APPROVED the University's sponsorship of the merged Colston Girls' School Trust and Merchants' Academy Trust (MAT). In doing so, the Board noted that:
- The sponsorship was not considered to give rise to any financial implications.
  - The sponsorship was in line with the University's mission and objectives as well as its broader role as a civic university.
  - The sponsorship would provide the University with greater opportunities to undertake educationally aspirational activities.
  - Sponsorship of this MAT would not preclude the University from entering into others, or into similar arrangements with other schools or institutions.
- 7.11 The Board reflected that it would be helpful to understand more about the University's activities in this area. This should be added to the schedule of business for 2017/18.
- 7.12 The Board reflected on progress that was being made in respect of the acquisition of land at the Temple Quarter Enterprise Zone, noting in particular the complications of the site.
- 7.13 The Pro Vice-Chancellor (International and Student Recruitment) presented, to contextualise the admissions position as stated in the written report. In particular, the Board noted the following:
- Key activities that would be undertaken over the next few months, including confirmation, clearing and adjustment activities.
  - An overview of the University's strategy in this regard, including the research being undertaken to inform that strategy.
  - The national (and international) picture in respect of student recruitment, noting the practices being adopted by some competitor institutions.
- 8. University Strategic Performance Indicators (SPIs) and Risk Register\***
- 8.1 RECEIVED for DISCUSSION (references **BT/16-17/077**, **BT/16-17/078**, **BT/16-17/079** and Presentation (on file))
- 8.2 The Vice-Chancellor reminded members of the Board of the significance of the SPIs, Strategy Implementation Plans and Risk Register in prioritisation (including of resource) by the University. These matters would be reflected in the budget to be presented later that day.
- 8.3 The Director of Planning, Strategy and Change presented to the Board. The presentation highlighted the processes by which the SPIs, Strategy Implementation Plans and the University Risk Register had been produced. The Board would consider updated SPIs at its meeting in November (and then again in May 2018).
- 8.4 Each of the Strategy 'Theme Leads' then presented to the Board regarding the Strategy delivery across their respective themes. Progress was reported to generally be good. In response to questions from members of the Board, the following issues were noted in particular:
- In respect of *Education and Students*, it was noted that it would be important to continue to seek balance between the importance of research and education, as the University increasingly turned its focus to improving the student experience.

- In respect of *Research and Innovation*, it was noted that increasingly funding was tied to matters of government policy (and in particular, national productivity).
- In respect of *Staff and ways of working*, it was noted that managing staff perceptions of the pace of change across the University would be critical to the success of the Strategy. Members noted the huge range of activities being undertaken in the delivery of this Strategic theme, and affirmed the importance of ensuring that those activities were appropriately connected.
- In respect of *Internationalisation and Global Relations*, members of the Board noted in particular that student recruitment had been flagged as one of the University's 'mission critical' risks. The Board affirmed the importance of ensuring that Faculties and Schools were fully engaged with the University's student recruitment ambitions and targets. Members of the Board also expressed support for continued research into the quality of the experience of international students (including their attainment) at Bristol.
- In respect of *Infrastructure*, the Board noted that it would be important to ensure that the University's budget for IT-related initiatives was sufficiently robust and reflected the level of improvements to be undertaken.

8.5 Members of the Board congratulated the staff involved in compiling the day's updates. In particular, the Board commented favourably on the newly-developed SPIs, noting that they would facilitate the Board's governance role in the delivery of the Strategy.

8.6 The Chair of the Audit Committee reflected that the University's formal risk management processes had been much improved in recent years, and noted that the risks recorded on the University's risk register were broadly in line with the sector risks that had been identified by the University's external auditors. The University should be mindful of the issues of capacity that had been flagged by several risk owners, and was encouraged to further consider how the delivery of the Strategy could be captured more explicitly as a risk on the University risk register. It was important to ensure that the Board was given sufficient opportunity to consider and comment upon the University's risk register.

## 9. Financial Matters\*

### 9.1 2017-18 Budget

RECEIVED for DISCUSSION (reference **BT/16-17/080**).

9.1.1 The Chief Financial Officer introduced the budget, and the Board noted in particular that:

- The budget had been scrutinised by Finance Committee, and had been submitted to the Board for approval with recommendation.
- The anticipated surplus for 2016/17 was significantly larger than that budgeted for 2017/18. The Board noted specific reasons for the positive 2016/17 performance, which were considered unlikely to be repeated in 2017/18.
- The budget-setting round for 2017/18 had been particularly challenging, with a number of efficiencies identified. It would be important for the Board to hold the executive to account for delivery of the ensuing budget.

9.1.2 The Chair of the Finance Committee reflected on the substantial discussions that had taken place regarding this matter at the most recent meeting of Finance Committee. In particular, the Committee had considered whether the budget was 'tough' enough. The University had been encouraged to consider costs pressures, in particular, for the 2018/19 budget-setting round.

9.1.3 **[REDACTED: likely to prejudice commercial interests]**

9.1.4 The Board APPROVED the budget proposed for 2017/18, including the Strategy budget.

**9.2 Finance Update**

RECEIVED for DISCUSSION (reference **BT/16-17/081**).

9.2.1 The Board considered the financial performance to March 2017, and in particular noted the conditions of HEFCE's approval for the University to make borrowing commitments in excess of its calculated threshold. Evaluation of whether the University had in place adequate systems to monitor the key risks to the delivery of its financial plans, as requested by HEFCE, would take place each year in the context of consideration of institutional performance against the agreed financial framework.

9.2.2 The Board ENDORSED in principle the proposed winding up of the assets, liabilities and trade of certain subsidiaries into the University of Bristol, subject to appropriate due diligence and DELEGATED authority to the Chief Financial Officer and the Registrar acting jointly to consider the outcome of the due diligence and approve the transactions.

**9.3 Endowment Fund Managers**

RECEIVED for DISCUSSION (reference **BT/16-17/082**).

9.3.1 Members of the Board were reminded that, as Board members, they were trustees of the endowment fund. Because of the nature of the services provided by the endowment fund managers, the University had conducted a competitive tendering process. Of those tenderers, Rathbone Investment Management Limited had submitted by far the most competitive tender.

9.3.2 The Board noted, with approval, the rigorous tendering process that had been followed, and particularly praised the inclusion of lay members of the Finance Committee and the involvement of the Treasurer.

9.3.3 The Board APPROVED the appointment of Rathbone Investment Management Limited as the investment fund manager for the University of Bristol Endowments, and DELEGATED authority to the Chief Financial Officer to agree the terms of the fund management agreement and any other contracts required to appoint Rathbone Investment Management Limited as the investment fund manager.

**10. Estates Committee (spotlight slot)\***

10.1 RECEIVED and NOTED (reference **BT/16-17/083**).

10.2 The Chair of the Estates Committee reflected on the work of the Committee and in particular, of its Terms of Reference. The Chair of the Committee highlighted:

- The complexity of the estate and associated expectations of stakeholders.
- The advisory nature of the Committee, which the Chair of the Estates Committee reflected was largely to help the Board understand the risks of key capital projects and the difficulties in completing them within the budgets that had been agreed by the Board (or otherwise under powers delegated by the Board).
- Key projects that had been recently considered and commented upon by the Committee, including the Fry Building and the Queens Building extension.

- The significant capital ambitions of the University would necessitate a good deal of work (including by the Estates Committee). In particular, a number of the Strategic capital initiatives had many component sub-projects, which would require careful management and oversight.
- The (often quite fragile) interdependence between the University and its stakeholders, including Bristol City Council, in successfully completing capital projects.
- The excitement that had been generated by the University's ambitions in relation to sustainability, which were felt to be genuinely innovative.
- The impressive leadership demonstrated by the Bursar and Director of Estates, who was felt to instil confidence in the achievability of the the University's Strategic capital ambitions.

10.3 NOTED the key business discussed at Estates Committee.

## **11. MAGG \***

11.1 RECEIVED and NOTED (reference **BT/16-17/084**).

11.2 NOTED the outcomes of the MAGG meeting which took place on 8 May 2017.

11.3 APPROVED the appointment of Professor Keri Facer and Professor Geraldine MacDonald to the Board of Trustees from 1 August 2017.

11.4 APPROVED the increase in the number of co-opted members on the Audit Committee from two to three.

11.5 APPROVED the appointment of Ms Mary Bishop and Mr Andrew Willis to the Audit Committee as co-opted members, with immediate effect, for an initial term of three years.

11.6 APPROVED the appointment of Mr Lucky Dube and Ms Ishita Handa as student members of the Board, for an initial term of one year, with effect from 1 July 2017.

11.7 The Board noted that a light-touch review of the Board's effectiveness would be conducted over the coming months, by way of a questionnaire and 1-1 meetings for each Board member with either the Chair or the Vice-Chair of the Board. The Board would receive the key messages from that review at its next meeting, and MAGG would consider a more detailed analysis at its next meeting.

11.8 Members of the Board were reminded that the Chair intended to step down from the Board at the end of 2018. MAGG, and the Board, would consider the process for the appointment of the next Chair in due course. It was noted that there was some complexities of process, in that the power to appoint lay members of the Board rested with Court whereas the power to appoint the Chair of the Board (to be drawn from the lay members) rested with the Board noted that, at those 1-1 meetings (and otherwise informally), the Vice-Chair would begin to take soundings from Board members as to the qualities, skills and experience that they would welcome in the next Chair of the Board.

## **12. Audit Committee\***

12.1 RECEIVED and NOTED (reference **BT/16-17/085**).

12.2 APPROVED the External Audit Plan 2017/18.

## **13. Ethics of Research Committee**

- 13.1 RECEIVED and NOTED (reference **BT/16-17/086**).
- 13.2 APPROVED the proposed amendments to the Ethics of Research Policy and Procedure as highlighted in Annex A in the report.

#### **14. Finance Committee**

- 14.1 RECEIVED and NOTED (reference **BT/16-17/087**).
- 14.2 The Board affirmed the importance of lay members of the Board attending meetings of committees of which they were members, noting that although the increasing number of co-opted committee members was welcomed, those members could not provide the broader understanding of University matters that lay members of the Board itself could offer.

#### **15. Student Affairs Committee**

- 15.1 RECEIVED and NOTED (reference **BT/16-17/088**).

#### **16. Report of the April meeting of Senate**

- 16.1 RECEIVED and NOTED (reference **BT/16-17/089**).
- 16.2 APPROVED the appointment of Professor John Iredale (Pro Vice-Chancellor Health) as the new Chair of the Ethics of Research Committee with effect from 1 August 2017.
- 16.3 In discussion, it was noted that there was an 'open invitation' for academic staff members of the Board to attend meetings of Senate.

### **Standing items**

#### Equality and diversity implications

The Board reflected on various issues that it had considered which related to matters of equality and diversity: (1) sexual harassment and violence; (2) the University's historical links with trade in the 19<sup>th</sup> century; (3) diversity had been considered in the various appointments put to the Board for approval. The Board considered that it had given such matters due care and attention, and that items submitted to it for consideration had received due consideration of equality and diversity matters.

#### Communications and consultation

Members of the Board were reminded that a number of items that it had considered should be treated strictly confidentially. When appropriate, decisions taken by the Board would be communicated to stakeholders. The Board considered that items submitted to it for consideration had been appropriately consulted upon prior to submission.

#### Any other business

In response to questions from members of the Board, following negative reports regarding the terms and conditions of employment of (third party) cleaning staff engaged by other universities, it was confirmed that (1) the University outsourced very little of such activity, and was broadly comfortable in this regard; and (2) the Remuneration Committee (which would report to the next Board meeting) did consider pay ratios.

The Vice-Chancellor reflected on recent successes in philanthropic fundraising, noting that these were as a result of a tremendous amount of hard work on the part of the Development and Alumni Relations Office.

Members of the Board were reminded that they were encouraged to attend July graduation ceremonies where possible.

**Date of next meeting**

The next meeting of Board of Trustees would take place on 7 July 2017.