



## MINUTES OF THE BOARD OF TRUSTEES

FRIDAY 7 July 2017

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

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, Professor G Macdonald.

Apologies: Professor G Orpen , Ms L Robinson.

### 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 Mr Dube and Ms Handa were welcomed as new members of the Board of Trustees. Professor Macdonald was welcomed to the meeting as an observer, with the Board noting that she would commence her term as a member of the Board from 1 August 2017.

1.3 The Chair observed that this would be the final meeting of the Board for Professor Mann and Dr Kitts, as they would reach the end of their respective terms of office on 31 July 2017. The Chair observed that whilst there was benefit to the Board in a certain level of turnover in membership, Professor Mann and Dr Kitts would be missed. Professor Mann and Dr Kitts were thanked, warmly, for their contributions to the Board over the preceding years.

1.4 The Chair reminded members of the Board that Professor Lieven would shortly be stepping down as Pro Vice-Chancellor, and that he would therefore cease to attend meetings of the Board. Professor Lieven was thanked for his advice and support to the Board, over many years, as Pro Vice-Chancellor.

1.5 The Chair advised members of the Board that there would be a 'non-executive' session at the meeting, for which only lay, student and academic and professional services staff members of the Board would be present (with only the Clerk in attendance). This approach had been trialled in July 2016, and it was proposed that this be continued for the July meeting each year. In a change to the agenda as published, the Chair moved that the non-executive session should take place at the end of the meeting, rather than immediately after lunch. The Board agreed to this approach.

## **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 Pro Vice-Chancellor (Research) declared an interest in the Board's consideration of the extension of his term of office as Pro Vice-Chancellor.

3.3 The Vice-Chancellor, Registrar, Chief Financial Officer, and Pro Vice-Chancellors declared an interest in the Remuneration Committee Report to the Board.

3.4 Mr Dube and Ms Beech declared an interest, as Trustees of Bristol SU, in the Board's consideration and approval of the budget for Bristol SU.

## **4. Minutes of meeting on 26 May 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/16-17/091**).

6.2 The Board noted that, further to the snapshot information presented in the written report, the Membership Appointments and Governance Group (MAGG) would consider at its next meeting the topic of Board effectiveness. The Board would therefore receive a more substantive report on this topic in due course.

6.3 The Chair advised that, in addition to the suggestions for Board discussion topics in 2017/18 captured in the written report, he was keen for the Board to hear more detail of the University's plans for the Temple Quarter Enterprise Campus (TQEC). It was hoped that the Board would receive a presentation on this topic at its October meeting, to assist the members of the Board to act as ambassadors in respect of the development.

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

7.1 RECEIVED and NOTED (reference **BT/16-17/092**).

7.2 The Vice-Chancellor introduced this report, and recorded his strong support for the extension of the terms of office of the Deputy Vice-Chancellor and the Pro Vice-Chancellor (Research) to be discussed later in the day.

7.3 The Vice-Chancellor provided an overview of current issues and activities. In particular, the Vice-Chancellor highlighted the following:

- Further to publication of the Teaching Excellence Framework (TEF) rankings, the University continued to liaise with sector bodies and the Government in respect of the processes and systems that underpinned the TEF.
- Following the recent general election, there continued to be robust national discussion regarding tuition fees. A range of opinions on this topic existed, even within the

Cabinet, and the University was modelling various scenarios. The Vice-Chancellor observed that the University's capital plan had a number of checkpoints for progress, and it would be important for those to take into account the then-current political situation. The Board would continue to be appraised of developments in this regard.

- The University was continuing to seek to reassure its staff in the wake of uncertainty regarding 'Brexit'. The Government's recently announced Global Talent Research Fund provided a more positive message in this regard.
- Ms Nicola Dandridge, who had addressed the Board at its March meeting, had been appointed the Chief Executive of the forthcoming Office for Students.
- Graduation Ceremonies would soon take place, and members of the Board were encouraged to attend these where possible. In light of recent events, the University had made provisions for heightened security at such events.

7.4 The Pro Vice-Chancellor (International) provided further information regarding admissions and student recruitment. In particular, the Board was reminded of the difference between confirmation and clearing, and the importance of considering the University's tariff in taking admissions decisions was highlighted. The Board reflected on the changing nature of the sector in respect of student recruitment, and noted that it would be important for the Board to continue to be mindful of this going forward.

7.5 Members of the Board requested further consideration of the international student experience. This would be added to the schedule of business for 2017/18.

7.6 The Registrar provided an update regarding the forthcoming UKVI audit, which would commence from 18 July. The Audit Committee would consider this further at its next meeting.

7.7 The Registrar provided an update on the Student Lifecycle Support Programme (SLSP). Risk tolerance in this space was very low, and detailed reprofiling of SLSP would take place over the summer period. As previously noted, Deloitte had been appointed to undertake an external review of the programme, and their report would be considered by the IT and Audit Committees in due course.

7.8 The Chair of the IT Committee reflected on SLSP for the benefit of the Board as a whole, and noted in particular the differences between SLSP and Enterprise Resource Planning (ERP).

7.9 The Registrar provided the Board with assurance in respect of the work recently undertaken by the University in respect of fire safety. The University continued to work closely with HEFCE and others, and in particular to consider lessons learned in the wake of the Grenfell Tower fire.

## **8. Strategy Implementation: Ways of Working**

### **8.1 Development and Alumni Relations**

8.1.1 The Director of Development and Alumni Relations presented to the Board. The presentation highlighted the following:

- The vision for the Development and Alumni Relations Office (DARO) and the University's relationship with its alumni, in the context of the delivery of the University Strategy.
- Changes to, the current structure of, and plans for future investment in, the staff team of DARO.
- Key challenges for DARO and its vision, such as Fundraising Preference Service.

- Two key strands of DARO activity: ‘alumni and friends’ and philanthropic fundraising. In respect of each, the Director of Development and Alumni Relations highlighted the principal activities (including progress to date), challenges and opportunities for DARO.
  - The Director of Development and Alumni Relations highlighted particular areas in which the Board’s advice and support would be (and is) welcomed, such as peer-to-peer engagement and introductions.
- 8.1.3 In response to questions and comments from members of the Board, the following points were highlighted:
- It would be important for members of the Board, as champions of and ambassadors for the University, to be well briefed about the University’s activities.
  - Appropriately tailored communications to and with alumni were vital to success in this area. International alumni, in particular, would benefit from highly tailored communications.
  - The Board reflected on the importance of alumni as a stakeholder in the University’s continued success.
  - Recent philanthropic achievements were to be congratulated, and the University should continue to ensure that it was appropriately ambitious in this context. It was noted that, for many institutions, whilst the most significant gifts were not always donated by alumni in many cases alumni had been integral in making introductions and generally acting as ambassadors for their *alma mater*.
- 8.1.4 The Registrar, and the Board, thanked the Director of Development and Alumni Relations for the transformative leadership and work that had already taken place in this space, and congratulated DARO on its achievements to date.

**8.2 Governance Review**  
 RECEIVED for DISCUSSION (reference **BT/16-17/093**)

- 8.2.1 The Vice-Chancellor highlighted the importance in agile and effective decision-making across the institution, whilst retaining (as appropriate) the collegial culture of the University. The Board (and the University as a whole) must be increasingly be mindful of governance, and legislative, and compliance requirements.
- 8.2.2 The development of new Strategic Performance Indicators (SPIs) would assist the Board in performing its oversight and governance functions. However, other important issues required consideration, such as the assurance provided to the Board in respect of academic quality and tensions within certain of the constitutional elements of the University’s governance structures. The written report presented to the Board (the White Paper) was intended very much to start discussion on this issue: further consultation would be undertaken, as outlined in the report.
- 8.2.3 The Registrar introduced the paper and presented to the Board. The presentation highlighted the following points:
- The process of the Governance Review, including the activities undertaken by the external consultants (KPMG) that had been engaged, and the role of the Governance Review Steering Group in developing the White Paper.
  - An overview of the key findings by KPMG, and the subsequent development of the proposals set out in the White Paper (the Proposals).
  - Members of the Board were invited to provide feedback, if they were unable to share their views at the meeting, to the Clerk.
- 8.2.4 Members of the Board provided the following general comments and questions:

- There was broad support for the aims of the Governance Review, and members of the Board affirmed that the University should seek to be an alert and nimble organisation. However, that should not lead to the University becoming overly corporate or centrist.
- The capacity for such a programme of change was queried, although the Board noted that many issues raised in the Governance Review had been held in abeyance for some time, and that their consideration was therefore timely.
- It was queried why a lay member of the Board had not been included in the membership of the Governance Review Steering Group. In discussion, it was highlighted that committees of the Board had not been included within the scope of the Governance Review, but that KPMG had made recommendations in respect of some committees of the Board/Court in respect of their interface with structures or issues that were within scope.

8.2.5 In respect of specific Proposals, the Board provided the following feedback:

Proposals 1, 2 and 3

- There was general support for Proposals 1, 2, and 3, and the Board agreed that it would be sensible to consult upon them together.
- Of chief importance to the Board would be a clear line of responsibility for the academic endeavour (including the consideration of academic risk) and clarity as to reporting to the Board.

Proposal 5

- There was strong support for Proposal 5 being further considered in light of Proposals 1 and 3, and in view of the importance of the student experience to the University's Strategy.
- Rather than disbanding the Student Affairs Committee, there may be other ways of removing duplication of activity, and these should also be considered alongside the precise wording of the Proposal.

Proposal 14

- There was strong support for the issues raised by this Proposal, and the Board affirmed the intention to seek the most appropriate structures to facilitate alumni relations and engagement. It did not appear that the *status quo* provided that.
- This Proposal would undoubtedly prove to be sensitive, and the consultation suggested in the White Paper would therefore be crucial.

Proposal 16

- There was strong support for the issues raised by this Proposal, although there were differing views as to the relative importance of (1) removing the somewhat anachronistic powers of Court and (2) the appetite for a potentially hostile reception of this Proposal at and by Court.
- The Board affirmed that the *status quo* did not appear to be tenable in the medium to long term. The Membership Appointments and Governance Group should consider the Proposal further and make recommendations to the Board in due course.

8.2.6 The Board therefore ENDORSED the Proposals for further consideration and consultation as set out in the White Paper, and noted that it would receive updates in due course.

## 9. Financial Matters

### 9.1 Finance Update

RECEIVED for DISCUSSION (reference **BT/16-17/094**).

9.1.1 The Chief Financial Officer advised the Board of the key features of the University's financial performance for the year and outlined the developments and circumstances that had led to the University achieving a higher than expected surplus.

9.1.2 The Board considered the 2016/17 May Management Accounts and did not consider that there were any areas of underperformance which would require further action by management.

9.1.3 The Board NOTED the commentary on financial performance presented in paragraph 7 of the report, which had been provided to aid Board members and staff in explaining the exceptional financial performance to be reported for financial year 2016/17.

9.1.4 The Board of Trustees:

- **[REDACTED: likely to prejudice commercial interests]**
- AUTHORISED any two persons listed below to act on behalf of the University of Bristol in the matters regarding the opening and operating of the account(s) with the Bank:

Name	Position
Robert Kerse	Chief Financial Officer
Andrew Grice	Deputy Finance Director
Julie Wallis	Assistant Finance Director
Zida Mirza	Financial Planning Manager
Julia Harrow	Costing & Pricing Manager
Emma Butler	Financial Reporting Manager
Steph Mustoe	Strategic Accountant

9.1.5 The Chief Financial Officer reminded members of the Board that the Universities Superannuation Scheme (USS) was required to carry out its valuation as at 31 March 2017, and that the outcome of this must be submitted to the Pensions Regulator by 30 June 2018 (the USS Valuation). USS was undertaking a technical consultation in relation to the USS Valuation. In order to ensure that the Board engaged appropriately with the USS valuation and technical consultation, it was proposed that a task/finish group be established to consider the USS Valuation and the associated implications for the University and its staff (the Pensions Group).

9.1.6 A paper was tabled to the meeting outlining the meetings and proposed membership of the Pensions Group. The Board of Trustees AGREED the above approach to the USS Valuation and technical consultation, and AGREED the composition of the Pensions Groups as proposed. The Pensions Group would report to the Board as and when appropriate.

### 9.2 Long Term Financial Plan

RECEIVED for DISCUSSION (reference **BT/16-17/095**).

9.2.1 The Chief Financial Officer introduced the report, and advised that it had been recommended by Finance Committee.

9.2.2 The Board of Trustees APPROVED the attached Long Term Financial Plan as amended and as set out in the report.

### **9.3 HEFCE Financial Forecasts**

RECEIVED for DISCUSSION (reference **BT/16-17/096**).

9.3.1 The Chief Financial Officer reminded the Board that these forecasts would next be submitted to HEFCE in its capacity as regulator.

9.3.2 The Board of Trustees APPROVED the Financial Forecasts and supporting commentary attached to the report (subject to any updating that may be required before the 31 July submission deadline) for submission to HEFCE by 31 July 2017.

### **9.4 Temple Quarter: additional site acquisitions**

RECEIVED for DISCUSSION (reference **BT/16-17/097**).

9.4.1 The Chief Financial Officer introduced this report and reminded members of the Board as to the background of discussions regarding this site.

9.4.2 The Board noted the current state of negotiations and considered the potential acquisition of the sites. ***[REDACTED: likely to prejudice commercial interests]***

9.4.3 Members of the Board also queried whether such a property acquisition aligned with the Long Term Financial Plan, and the level of the University's dependency upon achieving its student recruitment targets.

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

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

9.4.6 The Board therefore APPROVED the delegation of authority to the Chair of the Board of Trustees, on the advice of the Chairs of the Finance and Estates Committees, to agree terms.

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

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

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

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

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

### **9.5 Avon Fire Station Site**

RECEIVED for DISCUSSION (reference **BT/16-17/098**).

9.5.1 The Board noted that events had overtaken the University's plans as set out in the report, and that it was therefore no longer necessary to discuss them further.

### **9.6 Bristol SU Budget**

RECEIVED for DISCUSSION (reference **BT/16-17/099**).

9.6.1 The Chief Financial Officer introduced this report.

9.6.2 The Board of Trustees APPROVED the Bristol SU budget for 2017/18.

**[As agreed, the discussion of item 10 – Report of the Remuneration Committee – was moved to the end of the meeting]**

**11. HR Committee**

RECEIVED and NOTED (reference **BT/16-17/101**).

11.1 The Chair of the HR Committee reflected on the University's decision to participate in the Uniforum survey.

**12. Student Affairs Committee**

RECEIVED for DISCUSSION (reference **BT/16-17/102**).

12.1 The Board of Trustees considered, in particular, the report on Student Complaints and Appeals, noting that certain of the issues raised in that report (for example, in respect of the volume of allegations of plagiarism by international students) could usefully inform future discussion of the international student experience.

**13. Estates Committee**

RECEIVED and NOTED (reference **BT/16-17/103**).

**14. IT Committee**

RECEIVED and NOTED (reference **BT/16-17/104**).

14.1 The Chair of the Committee reflected that many of the issues considered by the IT Committee had also been considered by the Board at this meeting – which was felt to be indicative of the strategic focus of the IT Committee.

**15. Report of the 12 June meeting of Senate**

RECEIVED and NOTED (reference **BT/16-17/105**).

15.1 The Board of Trustees APPROVED the University's revised Student Agreement, which had been re-written in user-friendly language but retained the same necessary legal content. In discussion, the Board commended the move to more student-friendly language.

15.2 The Board of Trustees noted the key business discussed by Senate at its meeting on 12 June 2017, particularly the work undertaken in streamlining quality assurance processes by establishing Education Action Planning (EAP). The Board noted that one of the drivers for this work was to provide sufficient evidence to the Board in order to facilitate its provision of assurance to HEFCE.

**16. Annual Report of Emeritus, Honorary and Visiting Status**

RECEIVED and NOTED (reference **BT/16-17/106**).

- 16.1 The Board of Trustees NOTED the Annual Report of Emeritus, Honorary and Visiting status, and suggested that in future years it would be helpful to receive analysis as to the gender balance of these appointments.

**[All members of the University's Executive then recused themselves for the remainder of the meeting]**

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

RECEIVED and NOTED (reference **BT/16-17/100**).

- 10.1 The Board reflected on the value of having regular sessions for lay, academic and professional services staff and student (only) members of the Board, and noted that while there were benefits in having space for discussion without members of the Executive present, certain members of the Executive were also full members of the Board and it would not be good practice to exclude them from Board business as a matter of routine. On balance, it was felt that it might be appropriate to continue having 'non-Executive discussion time' at meetings where a report from the Remuneration Committee was scheduled for discussion.
- 10.2 The Chair of the Remuneration Committee introduced the report of the Remuneration Committee and reflected on discussions at its most recent meeting. In particular, the Chair reported that the Remuneration Committee had taken into account the general pay movements in the sector, pay ratios, and market-based benchmarks in formulating its views. The Remuneration Committee would be considering further analysis regarding pay equality in due course.
- 10.3 Members of the Board reflected that the work and decisions of the Remuneration Committee (and remuneration committees across the sector) would inevitably fall under more intense scrutiny in the coming months and years. The Remuneration Committee would continue to keep abreast of good practice in respect of matters within its remit.
- 10.4 The Board then considered the requests by the Vice-Chancellor to extend the terms of office of Professor Guy Orpen as Deputy Vice-Chancellor and Provost to 31 July 2021 and of Professor Nishan Canagarajah as Pro Vice-Chancellor to 31 July 2021.
- 10.5 In discussion, members of the Board requested that future such requests be submitted with a more detailed rationale. In particular, it would be helpful to understand the impact of extension of such terms of office on the 'pipeline' for senior positions within the University. It would also be helpful for the Vice-Chancellor to be present for such discussions, to allow the Board to hear personal reflections on the appropriateness of the extensions.
- 10.6 Notwithstanding the comments above, the Board of Trustees APPROVED the extension of the terms of office of Professor Guy Orpen as Deputy Vice-Chancellor and Provost to 31 July 2021 and of Professor Nishan Canagarajah as Pro Vice-Chancellor to 31 July 2021.

## **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) the experience of international students; (2) the guiding principles outlined in the Governance Review; (3) pay equality in the context of the work of the Remuneration Committee. 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, including commercial discussions relating to Temple Quarter and the contents of the Governance Review White Paper, should be treated strictly confidentially. When appropriate, decisions taken by the Board would be communicated to stakeholders, and the Board noted that the Governance Review White Paper set out certain avenues of consultation regarding the various Proposals.

### **Date of next meeting**

The next meeting of Board of Trustees will take place on 6 October 2017.