

University of Central Lancashire

Unreserved Minutes of The Board Meeting Held On 15th November 2018, Commencing At 2.30pm In The Windermere Suite, The Belsfield Hotel, Bowness On Windermere

Present:

David Taylor (Chair)

Andrea Adams	Sue Ion
Fiona Armstrong	Lesley Lloyd
Nicky Danino	Ruth Lowry
Jim Edney	Anne McCarthy
Ridwanah Gurjee	Bill McQueen
Jon Hogan	Lorraine Norris

In attendance:

Michael Ahern (Chief Operating Officer)
Liz Bromley (Deputy Vice Chancellor (Corporate Planning & International Strategy))
Ian Fisher (Clerk to the Board)
Ken Lee (Executive Director for Human Resources)
Lynne Livesey (Deputy Vice Chancellor (Academic))
Peter McMellon (assisting the Clerk to the Board)
Fiona Winters (Deputy Clerk to the Board)
Sarah Woolford (Deputy Finance Director - Acting Director of Finance)

UB691. Welcome and Apologies

The Chair welcomed all present to the meeting. Apologies for absence had been received from Maria Darby-Walker, Richard Hext and Caitlin McLaren.

The Chair reported that Mr Hext had submitted a number of comments which would be fed into the discussion as appropriate.

UB692. Declaration of Interests

No additional declarations of interests were made.

UB693. Reserved Minute

UB694. Reserved and Unreserved Minutes of the University Board Meeting held on 11th September 2018

Resolved: That the Reserved and Unreserved Minutes of the University Board Meeting held on 11th September 2018 were agreed as a true record and signed by the Chair.

UB695. Matters Arising from the University Board Meeting held on 11th September 2018

There were no matters arising.

UB696. Annual Report of the Audit and Risk Committee

The Clerk to the Board presented the Annual Report on behalf of the Audit and Risk Committee. A copy of the Annual Report is set out in the Minute Book.

Mr Fisher reminded Board Members about the contribution which the Committee's Annual Report offers in the provision of assurances prior to consideration of the Consolidated Financial Statements. He then briefly summarised the constituent elements.

Resolved : That the Annual Report of the Audit and Risk Committee be received and the assurances therein be noted.

UB697. Draft Consolidated Financial Statements – 2017/18

Mrs Woolford (Acting Finance Director) presented the draft 2017/18 Consolidated Financial Statements. A copy of the Statements is set out in the Minute Book.

Mrs Woolford explained that the format and content of the Financial Statements have changed slightly following regulatory change. She highlighted that new comments (compared to previous years) in the 'Notes' have been included, and specifically under the section on 'Emoluments of the Head of Institution'. Clearly, the changes apply to all institutions in the sector.

Mrs Woolford then presented the draft Financial Commentary (of material variances between the 2017/18 audited Statutory Accounts and the Financial Forecast already submitted to the OfS). A copy of the Financial Commentary is set out in the Minute Book.

Finally, Mrs Woolford presented the Letter of Management Representation for the auditors. A copy of the Letter of Representation is set out in the Minute Book.

Mr Edney reported that the draft Financial Statements had been examined by the Resources Committee and Mr McQueen reported that the draft Financial Statements had also been scrutinised at the Audit and Risk Committee. Both Committees recommended approval of the Financial Statements.

Finally, the recommendation that KPMG be reappointed as external auditor for the 2018/19 accounts was agreed.

Resolved: That

- (i) the Financial Statements for 2017/18 and the Letter of Management Representation be approved and be signed by the Chair on behalf of the Board;
- (ii) the Financial Commentary be approved for submission to the OfS; and
- (iii) KPMG be reappointed as external auditor for the 2018/19 accounts.

UB698. Office for Students – Annual Accountability Returns 2018

Mrs Bromley (Deputy Vice Chancellor (Corporate Planning and International Strategy)) presented the report on returns required by the Office for Students (OfS). A copy of the report is set out in the Minute Book.

Mrs Bromley drew attention to the OfS's letter (16 October 2018) to institutions formally requesting the annual accountability returns and specifying the format, contents and submission dates of the returns.

She also indicated where the returns requirements of the OfS varied from those previously applied by HEFCE.

The Board examined the OfS letter on the annual accountability returns and also noted how other returns and reports were scheduled for preparation, approval and submission.

Resolved : That the guidance provided and the schedule for submissions be noted.

UB699. Prevent Assurance Report

Mr Ahern (Chief Operating Officer) presented the draft Prevent Assurance Report for submission to the OfS. A copy of the report is set out in the Minute Book.

Mr Ahern reported briefly on the Audit and Risk Committee's recent review of the draft Report. He confirmed that the Committee had noted the good progress outlined in the report, and the absence of any major areas of concern therein. The Committee had recommended acceptance of the report for submission to the OfS.

Resolved: That the Prevent Assurance Report be approved for submission to the OfS.

UB700. Senior Executive Team Report

The Chair drew attention to the Senior Executive Team Report. A copy of the report is set out in the Minute Book.

The Board considered each section of the Report and noted the following:

1. **Finance**

The University is seeking to recruit a new Director of Finance following the resignation of the current post-holder. There is, however, now a Procurement Strategy in place.

Mr M Ahern outlined the separate procurement arrangements which the University operates for Masterplan matters.

2. **Planning, Student Recruitment and Student Recruitment Planning Cycle for 2018/19**

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Regarding the impending report from the Augar Review, Mrs Bromley advised that this will be covered in detail at the Strategic Planning event.

3. **Research Strategy Update and research Excellence Framework (REF) 2020/21**

Dr Livesey advised on 'impact of research' developments under the REF.

4. **International and UK Partnerships Update**

UCLan's position as second largest provider of British HE was noted.

5. **OfS Updates and Statutory Returns**

The report was noted and cross-referenced with the information already noted under Item UB698 above.

Resolved: That the Senior Executive Team Report be noted.

UB701. Committee Chairs' Updates

(i) Audit and Risk Committee – 25th October 2018

The Chair of the Committee (Mr Bill McQueen) presented his report on the Committee's meeting on 25th October 2018. A copy of the report is set out in the Minute Book.

Mr McQueen elaborated on the Committee's review of the Institutional Risk Register and on the tender arrangements which were being prepared for the procurement of audit services (internal and external).

(ii) Resources Committee – 15th November 2018

The Chair of the Committee (Mr Edney) provided an oral report on the meeting of the Resources Committee which had taken place earlier in the day.

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He reported that University management had been given approval in principle to the creation of a joint venture with Recycling Lives. A full business case for the initiative will now be developed. The Board Chair (Mr Taylor) suggested that this joint venture proposal will be consistent with UCLan's recent impressive performance in the start-ups context. The proposed initiative offered the prospect of significant benefits to the University.

(iii) Remuneration Committee

The Chair of the Committee (Mrs Adams) provided an oral report on the meeting of the Remuneration Committee which had taken place earlier in the day. She confirmed the key outcomes (as already reported under Item UB693 (i) above) and she outlined the arrangements for the appointment of an 'interim Director of Finance' to the current vacant position. Mrs Adams confirmed that the Committee had also dealt with SET pay arrangements (including individual cases) for the current year.

Resolved: That the Committee Chairs' Updates be noted.

UB702. Institutional Risk Register

Mrs Bromley presented the Institutional Risk Register. A copy of the Register is set out in the Minute Book.

Mrs Bromley confirmed that the Audit and Risk Committee had conducted a detailed scrutiny of the Register at the meeting on 25th October 2018.

The Board noted where current national/political developments necessitated constant updates (to Description/Consequences and to Mitigation and Tracking). The effective management of Risk 013 (Recruitment to Nursing courses) was noted, and the OfS's positive (ie 'without conditions') reception of the University's registration submission (Risk 031) was also noted.

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Resolved: That the report and updated Institutional Risk Register be noted.

UB703. Academic Board : Governing Body Appointments

Mr I Fisher reminded the Board about recommendations which had resulted from the Internal audit review of the University's governance arrangements. One recommendation for consideration had related to the Board's representation on the University's Academic Board.

Having considered best governance practice and the usefulness of formal representation for the Board on the Academic Board, it was agreed that appointments should be made to two ex officio positions on the Academic Board.

Resolved: That Dr Sue Ion and Mrs Lesley Lloyd be appointed as the Board's representative on the University's Academic Board.

Dr Livesey drew the Board's attention to the requirement whereby the University's Research Integrity Statement is subject to annual review. It was agreed that this (obtaining Board approval) should be conducted via e-mail to individual Board Members.

UB704. Masterplan Delivery Update

Mr Ahern presented the Masterplan Delivery Update dated 30th October 2018. A copy of the report is set out in the Minute Book.

Mr Ahern outlined the main points which had been discussed at the recent reviews of the Update at Audit and Risk Committee and at Resources Committee.

He confirmed that the new Social Spaces were proving to be extremely popular and well-used facilities, with beneficial spin-offs for the University's catering service. Faith leaders were working together to optimise use of Oasis. The focus on the Engineering innovation Centre development is now on quality issues, with a 'soft' opening now expected in February 2019.

Mr Ahern then commented further on the Student Centre/Square phase of the Masterplan. He reported on the outcomes of the Internal Audit review of masterplan procurement practices. As regards the Highways work, he reported on the working relationship with Lancashire County Council and on the arrangements with Balfour Beattie.

Mr Ahern then outlined how costings and price assessments have been approached for the Highways work. This had been undertaken at a very detailed level and was informed by the University's considerable experience of such matters. There would inevitably remain some degree of risk, but, at this point, contingencies to deal with any unexpected development appeared to be sufficient (ie., covered by the original Masterplan budget). He advised on the specialist support which the University called upon for the development of specifications.

In summary, Mr Ahern advised that the Masterplan project overall is proceeding on time and within budget. The Highways phase undoubtedly represents further risk, but successful completion for 2020/21 is expected.

The Board reflected upon the potential for unexpected 'discoveries' as the Highways phase proceeds. The Chair confirmed that, based on his own close experience of major developments around the London Olympics, such discoveries can indeed occur and de-rail time and cost assumptions.

Resolved: That the Masterplan Delivery Updated be noted.

UB705. Any Other Business

(i) Reserved Minute

(ii) Media Coverage of UCLan's Financial Position

There had been much coverage and rumour surrounding financial problems being experienced by some HE institutions in the sector and in the NW region. The Chair confirmed that UCLan is not one of the institutions thus affected and he urged that any suggestions or reports to the contrary should be challenged and quashed.

(iii) 190 Years celebration

Mrs L Bromley reported that arrangements to celebrate the event were under consideration. The actual anniversary date had been marked by a series of lectures based on the University's astronomy heritage.

UB706. Date and Time of Next Meeting

Resolved: That the next meeting be held on Thursday, 31st January 2019 at 5.00pm (venue to be confirmed but provisionally in the Adelphi Building Conference Room).

**I M Fisher
Clerk to the Board**