

BOARD OF GOVERNORS

Minutes of the meeting held on 8 December 2021, 1200 Room 201, Locksbrook campus

Present:

Mr J Glasspool (Chair)	Ms J Luxford
Dr J Brasted	Ms V Nawathe
Ms E Casey*	Professor J Ravalier*
Mr S Egan	Professor S Rigby (Vice-Chancellor)
Ms M Evans	Mr N Sturge
Ms S Harris*	Dr E Wakelin*
Ms S Lane	Mr H Watts
Mr S Lockren*	

In attendance:

Ms T Fisk [retired from the Board in November 2021]
Ms L Barling (Governance Manager)
Mr D Newman (University Secretary)
Professor N Sammells (Deputy Vice-Chancellor and Provost)
Mr M Webb (Deputy Finance Director) – for items 11 and 12
Mr Adam Terry (External Auditor) – for item 11
Ms Arlene Stone (HR Director) – for item 13
Dr Rebecca Schaaf (PVC Student Experience) – for item 9

* attended virtually

21/20 WELCOME AND APOLOGIES

- 1.1 The Chair welcomed governors to the meeting, including Simon Lockren, Emily Casey, Suzanne Harris, Jermaine Ravalier and Emma Wakelin who had joined the meeting virtually.

21/21 DECLARATION OF NEW INTERESTS

- 2.1 The Chair advised that the Register of Interests had been amended to reflect the following changes:
- Nick Sturge had declared two new interests (no issues of conflict with BSU) and these had been added to the Register of Interests:
 - Appointed non-exec director of "Spark South West Ltd"
 - Associate consultant at "The Connected Places Catapult"
 - Emma Wakelin's partner (Director of Fair Access & Participation) was leaving OfS this month so Emma's entry on the register in relation to her OfS connection had been removed from the Register of Interests accordingly.

21/22 PREVIOUS MINUTES

- 3.1 The Board **APPROVED** the minutes from the meeting on 29 September 2021 as a true and accurate record.

- 3.2 The Board **NOTED** that the slides from the confidential Board Away Day session on 2 November 2021, had been circulated to the Board after the session.

21/23 MATTERS ARISING

- 4.1 There were no matters arising and all of the outstanding actions on the action register had been closed.

21/24 CHAIR'S BUSINESS

- 5.1 A number of updates were provided, and the following was **NOTED**:
- 5.1.1 It had been a very difficult year for everyone – the Chair thanked in particular the senior leadership team together with the broader staff and students for their hard work during such challenging times.
- 5.1.2 Teresa Fisk retired from the board at the end of November; so was 'in attendance' at today's meeting (her last) – to 'square the circle' with the business of the Finance and Infrastructure (F&I) Committee.
- 5.1.3 Interviews were in progress for 7 shortlisted candidates wishing to join the Board as independent governors; the Board would be asked to approve any recommendations for appointment by email before the Christmas break.
- 5.1.4 The process for the Chair appointment would commence in January 2022, in accordance with the timetable previously agreed by the Board. Any queries should be directed to David Newman, University Secretary.

21/25 VICE-CHANCELLOR'S UPDATE (Paper G1183)

- 6.1 The Vice-Chancellor spoke to her report, and the Board **NOTED** the following key points:

External environment

- 6.1.1 It remained impossible to undertake any scenario planning for the Augar recommendations, given the lack of clarity coming out from the UK Government at the current time.
- 6.1.2 The OfS' current focus on the quality of data was something that the University had identified as an area for improvement, and action was already underway to address this. The VC also emphasised that whilst data was important, it was also important to remember the core mission of the University which was about ensuring a high quality student experience.
- 6.1.3 Both Trade Unions were currently balloting for a strike and whilst the University respected the right of the Unions to ballot, it did not feel to be the most appropriate time to do so, given the challenges that students had faced over the past year and continued to face as a result of the pandemic.

COVID-19 update

- 6.1.4 The University was frequently reviewing measures and was ready to take action as soon as it was required to do so by the local Health Authority. There had been no more than 10 cases of COVID19 reported within the University in the past fortnight and none were of the Omicron variant.
- 6.1.5 A recent student survey highlighted that the balance of online and blended learning remained appropriate and therefore Semester 2 was likely to remain the same as Semester 1, with a view to returning back to 'normal' in September 2022.

Recruitment and retention update

- 6.1.6 The Board was already aware of a significant amount of resource and effort that had been undertaken to improve recruitment numbers over the recent period – some examples included increasing the number of Open Days, appointing an external advisor to provide expertise in this particular area, and increasing the number of outreach team members into schools and colleges. The outcome of such activity would not be known until the UCAS deadline on 26 January 2022.

As a snapshot in time the University was currently slightly outside of its competitors but this was not an unusual recruitment position for the University to be in at this time of year.

6.1.7 RECEIVED and **NOTED**: a PowerPoint presentation from the Vice-Chancellor: BSU enrolment update (*on file*).

6.1.8 The presentation covered the following:

- The complexities around capturing student population numbers;
- The impact of the 5 November student number snapshot on the 2021/22 tuition fee forecast;
- Cumulative withdrawals across the academic year (comparisons between academic years 2018/19, 2019/20, 2020/21 and 2021/22).

6.1.9 Board members **NOTED** that in order to address the current uncertainties highlighted in the presentation, the University would be taking a number of important actions:

- The creation of a new strategic Data Unit. The Unit would establish an earliest possible assessment date for student numbers, monitor student movements closely, using this year as a template and undertake monthly financial snapshots as well as improve modelling.
- Redacted: FOI exemption, Section 43: Commercial Interests
- Focussing on international opportunities, the University would continue to explore the potential to work with external partners in recruitment and beyond, review competitors and fee levels and explore emerging opportunities in As above
- The development of a student retention package which would a) draw together the University's understanding of the student data and trends and evaluate the impact of the short and intermediate measures and; b) create a student psychological journey for Bath Spa students and an accompanying roadmap for student retention and engagement actions. This piece of work would be aligned to existing development work delivered via: Personal Tutor Pilot, Re-Ignite phase II, and the Development of the 'Engagement Matters' analytics dashboard.

6.2 During discussions, Board members made the following comments:

6.2.1 The University needed a more resilient information system to rely on. It was not only important to have a strong system architecture but also to ensure good quality of the data architecture itself.

6.2.2 The University should be able to define what 'good in class' was by undertaking some benchmarking across the sector, and then agree what the end result should look like for BSU.

6.2.3 The foundational investment in this area was the creation of the new Data Unit, which would play an essential part in delivering a 'good in class' system that could help the University to identify where students intended to withdraw before they did it, and then intervene. It was noted however that this would not be a 'quick fix', but instead it represented a three to five year journey for the University.

6.2.4 In terms of specific pre-emptive / immediate actions, the piece of work currently underway to deliver a student engagement digitalisation project was an important one because it would allow the University to ascertain a certain level of student engagement with the library, the virtual learning environment and physical classrooms and then to aggregate that information. Members noted that the project would be also be aligned with the personal tutoring policy/framework, and would be rolled out initially as a pilot.

6.2.5 Board members supported the Vice-Chancellor's view of not using data for data's sake, but using it to inform the University of how it could best help and support its students. Early intervention was certainly valuable to students, and the VC taking direct ownership of the data project was essential for its successful delivery.

6.3 The Pro Vice Chancellor (Finance & Infrastructure) provided the Board with a verbal update on the sale of Green Park House (GPH). The Board congratulated the PVC F&I and his colleagues

for all the hard work that had gone into the successful completion of the sale, and members NOTED the following:

- 6.3.1 Contracts had now been exchanged and the final sale price was circa £82m. Members commented that this was not only an extremely fair financial outcome for the University but also a fair outcome for the city, given that the building would be used by the University of Bath.
- 6.3.2 There were two outstanding matters that required some further work, and these were as follows:
- The buildings survey recommended that some additional minor works be carried out to fire safety on the building – whilst the fire safety reports emphasised that there was no risk to life, a condition of the deal was that the University had to undertake the remedial works post-completion. **Redacted: Section 22: information intended for future publication**.
 - The University would continue to operate the building until 31 July 2022, on a sub-lease from the University of Bath. From a financial perspective, this would be broadly cost neutral, and would additionally be beneficial to BSU students who were already under contract to reside in the building until the end of the 2021/22 academic year.
- 6.4 Board members congratulated the PVC F&I and his colleagues for achieving such a successful end result, but emphasised that given the timing of the sale with the launch of the VS scheme, this news would require sensitive communication and clear articulation to staff and students.

21/26 UNIVERESITY RISK REGISTER (Paper G1184)

7.1 The University Secretary introduced his report and the following was highlighted:

7.1.1 All of the risk scores had been thoroughly assessed and remained the same as they were the last time that the register was reviewed by the Board, with the exception of the risk of failure to meet immigration compliance thresholds. This was previously classed as a higher risk due to the University's performance against the UKVI Basic Compliance Assessment during 2020/21, but given that UKVI had now written to the University this Autumn to confirm that they were content with the University's performance in this area, and therefore the University's license to sponsor international students would continue as normal, this now reduced the likelihood of the risk coming to fruition.

7.1.2 As discussed at a previous Board meeting, a new educational partnerships risk matrix had been developed for new educational partnerships

Redacted: FOI exemption, Section 43: commercial interests

This approach was endorsed by the Audit Committee at its meeting on 24 November. The Financial Regulations would be amended at the next opportunity to reflect this change, but it would take effect immediately.

7.1.3 There had been some recent enhancements to the University's risk management approach – an externally facilitated workshop on risk management for SLG would be delivered in the New Year and some refinements were scheduled to be made to the University's risk appetite statement which would first be considered by the Audit Committee and then by the Board towards the end of the academic year.

7.1.4 Following the VC's earlier presentation around student recruitment and retention and data management, the University Secretary would make the link with data more explicit in the risk register in order to more closely articulate it as part of the existing risks.

7.2 Board members made the following comments:

7.2.1 The Risk Register, by its very nature, required the Board to think about things going wrong, but for the University to prosper, it was essential to think about things going right and how to best capture and assess opportunities, perhaps by way of an opportunities register. The University Secretary agreed to consider this further.

ACTION: University Secretary/Chair

7.2.2 Board members considered whether one of the best ways to help the University to thrive would be to work together with the senior leadership team to identify a portfolio of opportunities (big

systems, diversification of programmes, student experience etc) that could be taken forward on the back of the sale of GPH.

- 7.2.3 It would be useful to make more explicit in the register the student mental health crisis as a contributing factor around student experience risk, particularly around retention.

ACTION: University Secretary

21/27 ANNUAL REPORTS

8.1 The Board agreed the following:

- 8.1.1 RECEIVED and **NOTED:** Compliance with the Regulatory Framework for Higher Education in England, and **APPROVED** the revised Reportable Events Policy (Paper G1185).
- 8.1.2 RECEIVED and **NOTED:** Quality and Standards Assurance Statement for 2020/21 (Paper G1186).
- 8.1.3 RECEIVED and **APPROVED:** Annual Statement on Modern Slavery and Human Trafficking for the year ended 31 July 2021 (Paper G1187).

[Rebecca Schaaf joined the meeting]

8.2 Whilst the University procurement team were very rigorous in ensuring its suppliers confirmed their commitment to University policies in relation to modern slavery and human trafficking, given the recent media attention around textile forced labour camps in China, it was **AGREED** that the University could meaningfully review its textile supply chains to ensure that the University had no footprint in China.

ACTION: University Secretary/PVC F&I

21/28 EDUCATION MATTERS (Papers G1188 and G1189)

9.1 The Chair welcomed Dr Schaaf (PVC Student Experience) to the meeting, and she introduced her papers.

Education Strategy (Paper G1188)

9.2 The Board **CONSIDERED** the Strategy and the following was highlighted:

- 9.2.1 The new Strategy had built upon the previous Learning and Teaching Strategy – this version was more fit-for-purpose in terms of it more accurately reflecting the current internal and external context - i.e. increased attention from the regulator and UK government on output and outcomes, and learnings from the pandemic.
- 9.2.2 The measures of success of the Education Strategy were the same as some of the institutional KPIs, and so if successful, recruitment should increase and retention should improve. There should also be an improvement in the University's degree and graduate outcomes, and NSS scores.
- 9.2.3 All new programmes would have to demonstrate how they aligned with the objectives in the education strategy.
- 9.2.4 There had been a broad ranging consultation involving both staff and students as well as other key stakeholders, in the development of the Strategy.
- 9.2.5 In terms of operationalising the strategy, the Education Committee would monitor an action plan, a summary of which would be shared with governors should they wish to be kept informed of progress.

ACTION: PVC Student Experience

9.3 The Board **APPROVED** the Education Strategy.

Degree Outcomes Statement 2020/21 (Paper G1189)

9.4 The Board noted that the number of students achieving first degrees had doubled and that it was difficult to identify whether this was a temporary issue as a result of the pandemic as well as the no detriment mitigations that had been put in place to help students to achieve. Nonetheless, the

Board agreed that the University had given a proportionate response to the impact of the COVID19 pandemic on its students.

- 9.5 Board members commented that grade inflation in the HE sector was a major issue (although at BSU it was minor grade inflation relative to the sector) and the University would continue to keep a close eye on the numbers over the coming year.
- 9.6 The Board also suggested that it might be useful for the University to review to what extent the mix of students had changed over the past four years in order to reassure itself that it was not an outlier.
- 9.7 The Board **APPROVED** the Degree Outcome Statement 2020/21 for publication.

[Rebecca Schaaf left the meeting]

21/29 ANNUAL COMMITTEE REPORTS (Papers G1190 and G1191)

Annual Report of the Remuneration Committee 2020/21 (Paper G1190)

- 10.1 The Board **ENDORSED** the committee's principles that governed their approach to remuneration.
- 10.2 The Board **NOTED** the remainder of the report, which would be published on the website.

Annual Report of the Audit Committee 2020/21 (Paper G1191)

- 10.3 The Chair of the Committee, Jacqui Brasted, introduced the report and emphasised that the Committee was not aware of any significant internal control failures.
- 10.4 The Board **NOTED** the Audit Committee Annual Report for 2020/21.

[Adam Terry and Marc Webb joined the meeting]

21/30 ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2021 (Paper G1192)

- 11.1 Paul Fox (PVC Finance & Infrastructure) introduced the Annual Report and Financial Statements.
- 11.2 The Board **CONSIDERED** the report of the Auditor and **NOTED** that all outstanding work by the External Auditor had either now been finalised or was close to being finalised, and nothing had been identified that would cause any concern.
- 11.3 Members **NOTED** that the use of the subsidiaries would be kept under review by the F&I Committee.
- 11.4 The Board **REVIEWED** and **APPROVED** the Bath Spa University Annual Report and Financial Statements for the year ended 31 July 2021, noting that the references to the sale of GPH would be updated to reflect the date of exchange of contracts which took place today.
- 11.5 The Board **CONFIRMED**, in accordance with FRS 102, that the accounting policies (on pages 37-41 of the Annual Report and Financial Statements) were appropriate.
- 11.6 The Board **REVIEWED** and **AGREED** the Letter of Representation to the External Auditor and made the following comments:
- 11.7 The Board **NOTED** that the accounts for the subsidiary companies Bath Spa U Ltd (BSUL) and Bath Spa Venues Ltd (BSV) had been approved by their own Boards, and formed part of the University's consolidated results.
- 11.8 The Board **REVIEWED** and **AGREED** the letters of support for Bath Spa U Ltd (BSUL) and Bath Spa Venues Ltd (BSV).

- 11.9 The Board **NOTED** the Finance Report for the year ended 31 July 2021 which included an explanation of significant variances between the budget for the year ended 31 July 2021 and the annual financial statements.
- 11.10 The Board **NOTED** that both F&I and Audit Committees had reviewed the documentation at their meetings on 24 November 2021.
- 11.11 The Board **AUTHORISED** the Chair and Vice-Chancellor to sign the report and accounts, the letter of representation and the letters of support, noting that the references to the sale of GPH would be updated to reflect the date of exchange of contracts which took place today.
- 11.12 The Board thanked the Deputy Director of Finance and his colleagues for their hard work in preparing the Annual Report and Financial Statements for Board sign off, noting that this was an extremely busy time of year.

*[Adam Terry left the meeting]
[Sara Gallagher joined the meeting]*

21/31 FINANCIAL MATTERS (Papers G1193, G1194, G1195, G1196)

Revised budget 2021/22 and material impacts on 22/23 onwards (Paper G1193)

- 12.1 Paul Fox (PVC F&I) introduced his report.
- 12.2 The Board **REVIEWED** the proposed changes to the 2021/22 budget noting that the numbers would be revised post Board meeting to reflect the timing of the sale of GPH which was previously scheduled for 30 November, and the agreed sublease arrangement. Those changes were immaterial in terms of going concern.
- 12.3 The Board **NOTED** the substantive new addition in relation to the impact of lower student retention numbers on University finances, however, Board members emphasised that this would provide a real impetus for the University to continue to work hard to resolve the issue.
- 12.4 The Board **AGREED** that the above formed a satisfactory basis for the Revised Budget, subject to adjustment in light of the final GPH contract, sublease and completion date, such changes to be confirmed by the Board Chair and Vice Chancellor.
- 12.5 The Board **NOTED** progress in the sale of Green Park House (GPH) and the updated financial impacts, including the effect of the requirement to repay the Santander loan from the proceeds of the sale, as set out in the paper, noting in particular the impact on the I&E and key Balance Sheet ratios.
- 12.6 The Board **NOTED** that work was currently underway to review the University's financial framework (linked to the establishment of a new Investment framework highlighted below, and in paper G1194) for consideration by the Board at its meeting in February 2022.
- 12.7 The Board **NOTED** the Revised Budget margin to the remaining Lloyds cash flow covenant as set out in the paper.

Investment Framework (Paper G1194)

- 12.8 Paul Fox (PVC F&I) introduced his report.
- 12.9 The Board **CONSIDERED** and **AGREED** the range of financial options open to the University arising from the sale of GPH together with proposed governance arrangements, as outlined in the paper. During discussions, the following was highlighted:

- 12.9.1 The Investment Framework represented a real opportunity for the University to ensure its resilience well into the future.
- 12.9.2 The Board, together with the senior leadership team, must start to think more innovatively in this area and about its own risk appetite framework for making those sorts of important decisions.
- 12.9.3 Well-articulated and clear delegations and approval processes were essential to this piece of work (reference Appendix A of the paper), including clarity around how the outcomes would be measured.
- 12.9.4 It would be important to engage the Board early on in discussing new opportunities particularly around the new Large Investment Fund, in order to help bring the Board along on the journey, before it got to a binary decision of 'go or no go'. The Chair and University Secretary agreed to discuss how best to intertwine those discussions into Board meetings going forward.

ACTION: Chair/University Secretary

- 12.10 The Board **AGREED** to the formation of an Investment Committee reporting directly to the Board. The Committee would comprise of four Board members (including a student rep), with the attendance of one or two external advisors. Recruitment/appointment would proceed urgently such that the relevant Board members could attend the planned January investment workshop, necessary for proposals to be brought to the February 2022 Board meeting. Formal terms of reference for the committee would be brought to the same meeting for the Board's consideration and approval.
- 12.11 During discussions about the establishment of an Investment Committee, the Board **AGREED** that the new committee should play a role in reviewing the University's risk appetite and considering the University's ESG strategy. The committee would then make recommendations to the Board for approval. The Board also **AGREED** that student voice was essential on the committee and student governors were encouraged to put their names forward.
- 12.12 Board members were asked to put forward expressions of interest in joining the new committee to the University Secretary as soon as possible.
- 12.13 The Board discussed advance payment of the Avon Pension Fund deficit/contributions in respect of the year April 2022 – March 2023 and **DELEGATED DECISION-MAKING AUTHORITY** to the Chair of the F&I Committee and the Vice Chancellor jointly, in consultation with the PVC F&I.
- 12.14 The Board discussed appropriate and sensitive communications handling about this matter to the wider staff and student community.
- 12.15 The Board **AGREED** the revised approach to the Locksbrook (Summix) acquisition as set out in the paper, in particular that the Chair of the Board and the Vice-Chancellor, in consultation with the Chair of the F&I Committee, the Deputy Chair of the Board, and the PVC F&I, be delegated to agree the Heads of Terms in line with the emerging shape set out in the paper, and in light of the QS advice yet to be received.

Tuition Fee proposals 2022/23 (Paper G1195)

- 12.16 Paul Fox (PVC F&I) introduced his paper and the following was highlighted:

- 12.17 The Board **APPROVED** the tuition fees for 20200/23.

Letter of Support for Bath Spa University Students' Union (Paper G1196)

- 12.18 Paul Fox (PVC F&I) introduced his paper.

12.19 The Board **APPROVED** the letter of support for Bath Spa Student's Union, on the recommendation of the F&I Committee (which endorsed the letter at its meeting on 24 November 2021).

*[Marc Webb left the meeting]
[Arlene Stone joined the meeting]*

21/32 BATH SPA UNIVERSITY PENSIONS POLICY (Paper G1197)

13.1 Paul Fox (PVC F&I) introduced the report and Arlene Stone (HR Director) provided additional commentary. The Board **NOTED** that an iteration of the report had already been reviewed by the Pensions Review Steering Group on 5 November.

13.2 [Redacted: FOI exemption, Section 41: confidentiality]

13.3 During discussions, the following comments were made:

[Redacted: FOI exemption, Section 22: information intended for future publication]

13.4 After detailed consideration of the paper, the Board **AGREED**:

[Redacted: FOI exemption, Section 22: information intended for future publication]

13.4.3 That progress of the above be reported back to the July 2022 Board meeting.

[Arlene Stone left the meeting]

21/33 PROPOSED ARRANGEMENTS FOR THE EXTERNAL GOVERNANCE EFFECTIVENESS REVIEW (Paper G1198)

14.1 David Newman (University Secretary) introduced his paper.

14.2 The Board **APPROVED** the terms of reference and membership for the Governance Effectiveness Review Steering Group and the approach to the review, as set out in the paper.

21/34 OTHER ITEMS FOR INFORMATION (Papers G1199, G1200, G1201, G1202)

- 15.1 The Board **NOTED** the previous meeting minutes of the Remuneration Committee (13 October 2021), the Finance & Infrastructure Committee (24 November 2021), the Audit Committee (24 November 2021), and the Academic Board (13 July 2021 and 26 October 2021).
- 15.2 The Board **APPROVED** the terms of reference for Audit, F&I and Remuneration committees for academic year 2021/22.

21/35 ANY OTHER BUSINESS

- 16.1 The Board gave an expression of thanks to Teresa Fisk for her many years of service to Bath Spa. Ms Fisk shared her reflections during her time as a governor and conveyed her best wishes to the University for the future.
- 16.2 The date of the next board meeting was confirmed as Wednesday 16 February 2022 (to be held on campus unless otherwise advised).

[Richard Jordan and Fiona Munn joined the meeting]

- 16.3 The Board expressed a sincere thanks and gratitude to the Director of Estates (Richard Jordan) and his assistant, Fiona Munn, for all of their hard work in successfully achieving a strong sale of GPH.

[Richard Jordan and Fiona Munn left the meeting]

- 16.4 The next Board awareness session (online) was due to take place on Tuesday 11 January (focus: GALA Network (Global Academy of Liberal Arts) – led by the PVC Research and Enterprise).

[The meeting ended at 15:30]

Lucy Barling
08 December 2021

(Signed as a record of confirmed minutes)

Redacted: Section 40:
personal data

Jonathan Glasspool, Chair
Date: 16 February 2022