

Board of Governors

DATE / TIME / VENUE	1500, Monday 26 November 2018, Board Room, St Andrew's Court
PRESENT	Jane Hoskins (Chair) Roger Burke-Hamilton Jenny Crighton Professor Graham Galbraith Mark Greenwood Claudia Iton Violet Karapaseva Baldev Laly Anne Lambert (up to Min 42) Frances Morris-Jones Paul Myers Mark Readman (up to Min 42) Ingmar Rinck Dr David Sanders Margaret Scott Lyuda Wade Dr Jenny Walden David Wilding Professor Nairn Wilson
IN ATTENDANCE	Professor Bob Nichol, Acting Pro Vice-Chancellor (Research & Innovation) Professor Paul Hayes, Deputy Vice-Chancellor Bernie Topham, Chief Operating Officer and Deputy Vice-Chancellor Emma Woollard, Executive Director of Finance
SECRETARIAT	Adrian Parry, Director of Corporate Governance Annette Bourke, Head of Governance Services Jemma Keys, Senior Governance Officer

Tabled papers:

Agenda item 6.1, Addendum to the Operating and Financial Review; and Agenda item 6.6 Prevent Annual Accountability Statement.

To accommodate availability, some agenda items were taken out of order.

24 Apologies, Quoracy and Conflicts of Interest

- 24.1 Apologies were received from External Governors: Bishop Christopher Foster, Mark Lemon, David Willan and Chris Williams; Staff Governor: Professor Karen Heard-Laureote; Student Governor: Lucy Cook; and Senior Post Holder: Chris Chang, Pro-Vice Chancellor (Global Engagement and Education Partnerships).
- 24.2 The Executive Director of Corporate Governance confirmed that the meeting was quorate and could proceed to business.

24.3 The following standing declarations of interest were noted:

- (i) David Willan had been a Director of Portsmouth Football Club until August 2017 and was now a President of its Heritage and Advisory Board.
- (ii) Baldev Laly owned a chain of pharmacies in the City that was working in collaboration with the University's School of Pharmacy and Biomedical Sciences to provide 'Pharmacy live', a teaching facility for pharmacy students. It was also noted that he had property interests within the City.
- (iii) Margaret Scott was a Governor of Portsmouth Grammar School. It was also noted that she had previously worked with the current Chair of the General Optometry Council.
- (iv) Anne Lambert was a member on the Quality Assurance Agency's (QAA) Advisory Committee on Degree Awarding Powers.

25 Minutes of the Previous Meeting

The minutes of the meeting held on 10 October 2018 were confirmed and signed as an accurate record.

26 Matters Actioned and Matters Arising

26.1 Action was reported within the agenda papers on two items which were for note.

26.2 The following matter arising was noted:

The Human Resources Committee meeting scheduled for 4 December 2018 would be rearranged for early 2019. This meeting would predominately focus on the progress to implement the actions arising from the Staff Survey 2017. A Board discussion on the Staff Survey would be scheduled once a date for the Human Resources Committee had been established.

27 Review of Board Structures and Decision-Making Processes

The Chair introduced a report from Adrian Parry, Executive Director of Corporate Governance that provided an outline of the deliberations of the Board Awayday held on 16 October 2018. The report proposed a number of actions and activities to improve the conduct of Board business. The following points were noted in discussion:

- 27.1 The Board agenda had been restructured to provide clarity on the purpose of agenda items and to ensure that an appropriate level of time would be allocated to items that required a greater depth of discussion.
- 27.2 In future, Board meetings would include a horizon scanning item which would provide governors with the opportunity to explore a particular issue of strategic importance.
- 27.3 The paper proposed that a Governors Annual Strategy Day should be held each year in July. This event would include a strategy debate which would encompass business

planning and agenda setting activities for Board meetings scheduled for the next academic year. A speaker would be invited to attend the event to discuss a key issue of strategic or topical importance. It was suggested that it would be helpful to receive a short briefing in advance of the event to encourage discussion and debate. Potential dates for the first Annual Strategy Day in July 2019 would be communicated to governors shortly.

- 27.4 There was a long-term aspiration to reduce the number of Board members to eighteen. It was noted that this would be achieved gradually as members of the Board retired. The Nominations Committee would continue to consider potential skill gaps to ensure that the Board's membership continued to encompass the skills and expertise it required to effectively discharge its duties.
- 27.5 The paper proposed that the Finance Committee and the Estate and IT Committee should be merged and that the first meeting of the merged Committees should take place in March 2019. The Nominations Committee would consider the membership of the merged Committee at its meeting on 12 March 2019.
- 27.6 It was proposed that the Student and Governor Advisory Group should be disbanded due to a lack of tangible business and because the group was not considered to provide added value to both governors and the Students' Union. Consequently, six pre-existing Students' Union events would be identified for each academic year which would be communicated to all governors. Governors would be asked to give an informal commitment to attend at least one event per annum. Governors expressed their support for the proposals and emphasised the importance of interacting with students and the Students' Union. There was also some discussion about identifying better mechanisms for linking governors to the work of the faculties.
- 27.7 A small group of governors would be invited to partake in a pilot to trial paperless meetings for the remainder of this academic year. Depending on the results of the pilot, all governors would be asked to move to paperless meetings for the start of the 2019/2020 academic year.
- 27.8 Following discussions, the Board agreed that the activities outlined in the report should be implemented.

28 New Subsidiary – confidential minute

29 Sports Centre Tender – confidential minute

30 Tuition Fees for Partner Colleges

The Board received a report from Paul Hayes, Deputy Vice-Chancellor that requested delegated authority to set the tuition fees for partner colleges. The following points were noted in discussion:

- 24.4 The University's tuition fees were traditionally set each March by the Board of Governors. Requests had been received from some partner colleges for these fees to be set at an earlier date. Earlier notification would assist them with their marketing and financial planning activities.
- 24.5 The paper requested that the Deputy Vice-Chancellor or their nominee should receive delegated authority to set tuition fees for partner colleges, in consultation with the partner colleges.
- 24.6 The Board agreed that delegated authority should be provided to the Deputy Vice-Chancellor or their nominee to set the tuition fees for partner colleges, in consultation with the partner colleges, provided that these fees do not exceed the maximum rates permitted by the Office for Students regulations.

31 Chair's Business

The Board received an oral report from Jane Hoskins, Chair of the Board of Governors. The following key points were noted:

- 31.1 The Chair attended the City's Remembrance Service alongside the Vice-Chancellor on Sunday 11 November 2018 at Guildhall Square, Portsmouth.
- 31.2 The Chair attended the Committee of University Chairs (CUC) Autumn Plenary on 11 and 12 October 2018. Topics discussed at the plenary included the University Superannuation Scheme (USS) and mental health in higher education. It was suggested that a briefing session should be held on the University's mental health services and initiatives.

32 Vice-Chancellor's Update

The Board received an oral update from Professor Graham Galbraith, Vice-Chancellor. The following key points were noted:

- 32.1 The H.M. Treasury had announced that employer contributions for the Teachers' Pension Scheme (TPS) would increase by 7.2% in September 2019. It was noted that the University had budgeted for a 2% increase, which had been in line with advice received from the University and Colleges Employers Association (UCEA).
- 32.2 The Vice-Chancellor provided an update on the post-18 funding review which was still underway. It was noted that the media had recently published reports that speculated that tuition fees may be reduced to £6,500. The Office for National Statistics would undertake a review to consider whether tuition fee debt should be accounted for in the Government debt.
- 32.3 There had been recent press attention regarding the financial stability of universities and whether the Office for Students would provide support if a University found itself in financial difficulties. It was noted that the University was providing assurance to both current and prospective students of the University's strong financial health.

- 32.4 A report would shortly be published by the Department for Education and the Institute for Fiscal Studies on the impact of undergraduate degrees on early-career earnings. It was anticipated that Universities UK (UUK) would also publish a report on degree classifications and grade inflation. Finally, the Universities and Colleges Admissions Service (UCAS) would shortly be releasing data on unconditional offers.

33 Professional Accreditation – confidential minute

34 Student Recruitment – confidential minute

35 Financial Statements of the University 2017/2018

The Board received a report from Emma Woollard, Executive Director of Finance that provided the Financial Statements of the University for 2017/2018. The following key points were noted:

- 35.1 The Financial Statements had been discussed in detail at the Finance Committee meetings on 10 October 2018 and 13 November 2018, and at the Audit and Quality Committee meeting on 14 November 2018.
- 35.2 The Financial Statements were prepared in accordance with the Higher and Further Education Statement of Recommended Practice (SORP) and the FRS102 subset of International Financial Reporting Standards.
- 35.3 The Board received an addendum outlining minor amendments that had been made to the version of the Operating and Financial Review that had been circulated with the meeting papers.
- 35.4 The Board approved the Operating and Financial Review for the year ended 31 July 2018, including the Financial Statements for the year ended 31 July 2018.

36 Letter of Representation and Letters of Support for Subsidiary Companies

The Board received a report from Adrian Parry, Executive Director of Corporate Governance that provided the Letter of Representation and the Letters of Support for the University's subsidiary companies. The following key points were noted:

- 36.1 Approval of the Letter of Representation and the Letters of Support for the University's subsidiary companies was an annual requirement.
- 36.2 The Board approved the Letter of Representation from the Board to the external auditors, Deloitte LLP and the Letters of Support for the subsidiary companies for: ASTA Technology UK Ltd (ASTA); Portsmouth Technopole Ltd (PTL); Technology Enterprises Portsmouth Ltd (TEPL); University of Portsmouth Enterprise Ltd (UPEL);

University of Portsmouth Investments Ltd (UPIL); and the University of Portsmouth Service Ltd (UPSL).

37 Financial Commentary on 2017/18 Results for the Office for Students

The Board received a report from Emma Woollard, Executive Director of Finance; Mark Carter, Deputy Director of Finance (Management Information); and Dr Liz Bartle, Deputy Director of Finance (Financial Systems) that provided the financial commentary on the 2017/2018 results for submission to the Office for Students. The following key points were noted:

- 37.1 The Finance Committee reviewed the financial commentary on the 2017/2018 results at its meeting on 13 November 2018.
- 37.2 This report would be submitted to the Office for Students and provided information on the variances between the Financial Forecasts for 2017/2018 and the Financial Statements for 2017/2018.
- 37.3 The Board approved the Financial Commentary on the 2017/2018 Results for submission to the Office for Students.

38 Annual Report of Audit and Quality Committee 2017/2018

The Board received a report from Annette Bourke, Head of Governance Services and Adrian Parry, Executive Director of Corporate Governance that provided the Annual Report of the Audit and Quality Committee for submission to the Office for Students. The following key points were noted:

- 38.1 The annual report, which included the internal auditor's annual report and the annual assurance return, had been considered and agreed by the Audit and Quality Committee at its meeting on 14 November 2018.
- 38.2 The Board approved the annual report of the Audit and Quality Committee of the Board of Governors and the Annual Assurance Return for the financial year 2017/2018 for submission to the Office for Students.

39 Annual Assurance on Quality

The Board received a report from Rebecca Dipancrazio, Deputy Academic Registrar (Quality and Partnerships) that provided the Assurance Statement on Quality. The following key points were noted:

- 39.1 The Board commended the level of detail provided in the report and noted that the report provided the Board with a high level of assurance that the University was continuously improving its academic experience and student outcomes.
- 39.2 It was suggested that a future briefing session should be held for governors on academic standards and quality.

- 39.3 The Board approved the Assurance Statement on Quality for submission to the Office for Students.

40 Prevent Duty

The Board received a report from Adrian Parry, Executive Director of Corporate Governance that provided the University's Prevent Duty Monitoring Report and the Prevent annual accountability statement to the Office for Students. The following points were noted in discussion:

- 40.1 As noted at a previous Board meeting, the Office for Students had implemented a new risk based approach to monitoring institutions' delivery of the Prevent Duty. The University was required to submit to the Office for Students a signed declaration and an explanatory accountability statement from the governing body confirming that the University has had due regard to the Prevent duty during 2017/2018. The University was also required to submit an outcomes-based data return which was supported by a short qualitative narrative covering the core areas of the statutory duty.
- 40.2 The annual monitoring report was intended to provide assurance to the Board of Governors that the University was actively implementing policies, procedures and arrangements for meeting the Prevent Duty. The report also provided assurance of the University's ongoing engagement with the Duty and provided data on staff training, wellbeing referrals and speaker referrals.
- 40.3 The Board confirmed that that it was content that the University has had due regard for the Prevent Duty during 2017/2018.
- 40.4 The Board approved the annual accountability statement and data returns for submission to the Office for Students.

41 Annual Remuneration Report

The Board received a report from Adrian Parry, Executive Director of Corporate Governance that provided the annual report to the Board of Governors on the work of the Remuneration Committees. The following key points were noted:

- 41.1 The Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code recommended that remuneration committees should provide an annual report to its governing body and that the report should be subsequently published.
- 41.2 The University's annual report conformed to the recommended report template provided by the CUC. The report detailed the deliberations of the University's Remuneration Committees and the factors that had been taken into account when the Committees had assessed the performance of Senior Potholders' and the Vice-Chancellor. The report also provided information on the Vice-Chancellor's emoluments.
- 41.3 The Board noted the report and agreed that it should be published on the University's website.

Action: Executive Director of Corporate Governance

42 Modern Slavery Act 2015

The Board received a report from Karen Eastaff, Deputy Procurement Manager and Claire Dunning, University Solicitor that provided the annual Slavery and Human Trafficking Statement. The following key points were noted:

- 42.1 The University was required under the Modern Slavery Act 2015 to produce and publish an annual slavery and human trafficking statement. This statement outlined the steps taken by the University to prevent slavery and trafficking. It was noted that the University was expected to demonstrate in the report an improvement in its approach year-on-year.
- 42.2 It was reported that in the last twelve months, the University had surveyed its top 25 suppliers to gain insight into their position, processes and procedures on modern slavery. The University had also ensured that any perceived omissions or deficiencies were raised with suppliers to determine how these could be rectified.
- 42.3 The Board noted the activities that had been identified for the next twelve months. The University would seek to acquire greater granularity from suppliers on their labour costs and the University's procurement processes would be developed to flag exceptionally low labour costs.
- 42.4 An Anti-Slavery and Human Trafficking policy had been developed and would be published on the University website in due course.
Action: Executive Director of Corporate Governance
- 42.5 The Board approved the adoption of the Slavery and Human Trafficking Statement for publication on the University website.

43 Academic Council Chair Report

The Board received a report from Professor Graham Galbraith, Vice-Chancellor and Chair of the Academic Council, that provided a summary of the business conducted at the Academic Council meeting held on Tuesday 26 June 2018.

44 Finance Committee

The Board received and noted from Mark Readman, Chair of the Committee, reports of the meetings held on 26 November 2018 and 13 November 2018 and accepted the work of the Finance Committee as reported. The Board also received and noted the 2018/2019 University and subsidiary companies Management Accounts as at end September 2018.

45 Audit and Quality Committee

The Board received and noted a report from Frances Morris-Jones, Chair of the Committee, on the meeting held on 14 November 2018 and accepted the work of the Audit and Quality Committee as reported.

46 Academic Council

The Board noted that the draft minutes of the Academic Council meeting of 20 November 2018 would be circulated to governors electronically once they were available.

47 Delegated Authority

The Board agreed to delegate authority to the Chair to take action before the next meeting if necessary.

48 Date of Next Meeting

The Board noted that the next meeting would take place at 1330, Wednesday 23 January 2019.