

## Board of Governors

TIME /DATE / VENUE	1200, 23 November 2022, St Andrew's Court Board Room
PRESENT	<p>Jenny Crighton (Chair)          Bahram Bekhradnia (up to minute 44)          Roger Burke-Hamilton          Madeline Denmead          Penny Emerit (up to minute 44)          Professor Graham Galbraith          Dr Adrian Hull          Liz Jolly          David Madoc-Jones          Becky Miles          Frances Morris-Jones          Dominic Owen          Professor Sandy Pepper          Aleksandra Siedlecka          Professor Richard Thelwell          David Willan          David Wilding</p>
IN ATTENDANCE	<p>Chris Chang, Deputy Vice-Chancellor (Global Engagement and Education Partnerships)          Sarah Duckering, Director of Research and Innovation Services (Minute 33)          Dr Harriet Dunbar-Morris, Dean of Learning and Teaching (Minute 35)          Professor Paul Hayes, Senior Deputy Vice-Chancellor          Fiona Hnatow, Chief People Officer          Professor Jeremy Howells, Interim Pro Vice-Chancellor (Research, Innovation and External Relations)          Kate Smith, Companies Accountant (Minute 33)          Bernie Topham, Chief Operating Officer and Deputy Vice-Chancellor          Emma Woollard, Executive Director of Finance</p>
SECRETARIAT	<p>Claire Dunning, University Solicitor Acting Clerk to the Board of Governors          Annette Mills, Head of Governance Services          Helen Malbon, Senior Governance Officer</p>

Prior to the formal session, the Board participated in a horizon-scanning session facilitated by Tahir Ahmed, Director of Estates and Campus Services on the feasibility studies being conducted to facilitate phase two of the University's Estates Masterplan.

## 25. Clerking Arrangements

- 1.1. The University's Articles of Government stipulate that if the Clerk is absent then the Board of Governors should appoint an individual to act as Clerk for the purposes of the meeting.
- 1.2. Following discussion, the Board agreed to appoint Claire Dunning, University Solicitor to act as Clerk for the duration of the meeting.
- 1.3. The Board noted and congratulated Claire Dunning on her appointment as the new Executive Director of Corporate Governance with effect from the 1 January 2023 following an internal recruitment process. The Board of Governors had been informed of the outcome of the recruitment process by email correspondence on 7 November 2022.

## 26. Introductions, Apologies, Quoracy and Conflicts of Interest

- i. Apologies were received from External Governors: Claudia Iton, Christopher Williams and Vineet Khurana.
- ii. The Chair welcomed new External Governor, Madeline Denmead to her first Board meeting.
- iii. Claire Dunning confirmed that the meeting was quorate and could proceed to business.
- iv. The following standing declaration of interest was noted:
  - a) David Willan had been a Director of Portsmouth Football Club until August 2017 and was now a President of its Heritage and Advisory Board.

## 27. Minutes of the Previous Meeting

- i. It was noted that in the minutes of the meeting held on 12 October 2022, Bahram Bekhradnia was listed as present at the meeting although he had given his apologies which had been noted in the minutes. It was agreed that the attendee list would be amended.

**Action: Head of Governance Services**

- ii. Following discussion, it was agreed that minute 6.4.iii accurately reflected the decision made.
- iii. Subject to the amendment noted at 27.i, the minutes were confirmed as an accurate record.
- iv. Potential Site Purchase - Confidential item

## 28. Matters Actioned and Matters Arising

Action was reported on six matters:

- i. Following discussion at the October meeting of the Board, the Infrastructure and

Finance Committee agreed the following revised wording to its terms of reference at its meeting held on 8 November 2022:

"5. To receive regular progress updates on infrastructure and finance related projects from the governor members of the relevant project boards. Committee should also receive information in order that it can have oversight of financially significant projects and provide advice to the Board as may be necessary."

- ii. In the Risk Management Policy matrix, the word "avoid" had been amended to "scrutinise".
- iii. Letters of Support for Subsidiary Companies were signed by the Chair.
- iv. The Board noted the London Campus Milestone Plan.
- v. An update on the Medical School, including progress to date mapped against the original business case, would be received at a future Board meeting.

**Action: Senior Deputy Vice-Chancellor**

- vi. As reported under minute 25, the Board of Governors were informed, by email correspondence on 7 November 2022, of the appointment of Claire Dunning as the new Executive Director of Corporate Governance with effect from the 1 January 2023.
- vii. There were no other matters arising.

## 29. Confidential item

## 30. Financial Statements of the University 2021/2022

Emma Woollard presented the 2021/22 Financial Review which comprised of the Operating and Financial Review (OFR), other governance related documents and the consolidated financial statements of the University's activities throughout the financial year. Key points noted were:

- i. The Financial statements were considered at Infrastructure and Finance Committee (IFC) on 8 November 2022 and Audit and Quality Committee (A&Q) on 10 November 2022 and had been recommended for approval.
- ii. The External Auditors Management Letter was discussed at the Audit and Quality Committee on 10 November 2022 as part of the discussion on the Financial Statements.
- iii. The draft accounts showed an operating deficit of £6.7m and included year- end cash balances of £325.9 million, supporting future investment.
- iv. The £325.9 million included the £100 million unsecured loan, with University generated cash balances funding the construction of the new Sports Centre. Cash net of this loan was therefore £225.9 million. As the loan was spent, the cash balances will fall but fixed

assets (mainly land and buildings) would increase in value.

- v. The University regularly monitored all covenants associated with the £100 million loan; they had not been breached and were not expected to be breached in the foreseeable future.
- vi. The Chairs of IFC and A&Q confirmed each Committee had discussed the statements and the Chair of IFC had provided feedback to the Chair of A&Q before it met.
- vii. It was noted that an editing error had recently been identified in one of the sections in the KPMG audit report. The text under the 'Other audit risk' section relating to Going Concern had been replicated in the 'other audit risk' section relating to Access and Participation expenditure. An updated report correcting this typographical error had been issued by KPMG. The Board noted and agreed that the updated KPMG report would be submitted to the OfS.

**Action: Executive Director of Finance**

- viii. The Board approved the 2021/2022 Financial Review, including the consolidated financial statements and agreed delegated authority for the Executive Director of Finance to submit the amended report to OfS.
- ix. The Board agreed the Financial Statements for the Year Ended 31 July 2022 should be signed by the Chair and submitted to OfS.

**Action: Executive Director of Finance**

### **31. Financial Forecasts – confidential**

### **32. Letter of Representation**

- i. Claire Dunning, University Solicitor, presented the Letter of Representation. The Letter of Representation was addressed to external auditors KPMG LLP from the Board of Governors. The letter provided confirmation from the Board that it had understood and fulfilled its responsibilities for the preparation of the financial statements in accordance with the applicable financial reporting framework and that these statements, provided to the auditors for analysis, gave a true and fair view.
- ii. The Board approved the Letter of Representation for the Chair's signature.

**Action: University Solicitor**

### **33. Portsmouth Technopole Ltd**

- i. Kate Smith, Companies Accountant, presented the letter of support for Portsmouth Technopole Ltd (PTL), the company that owns and operates the Technopole Innovation Centre. PTL is wholly owned by the holding company Technology Enterprises Portsmouth Limited (TEPL), which in turn is wholly owned by the University.
- ii. PTL requested a Letter of Support from the University in support of its Going Concern

status for the Financial Statements for the year ending 31 July 2022. A letter of support was a letter from a parent company to a subsidiary company that confirmed the parent's intention to provide financial and business support to that subsidiary for no less than twelve months following the signing of the company's financial statements.

- iii. The Board resolved that, as the ultimate parent undertaking of PTL, it anticipated the company continuing to operate, and would make available sufficient funds to enable the company to continue for a period of no less than 12 months from the date of signing the company's accounts.
- iv. The Board approved the Letter of Support for PTL for the Chair's signature.
- v. **Confidential item**

### **34. Annual report of Audit and Quality Committee 2021/2022**

Frances Morris-Jones, Chair of Audit and Quality Committee, presented the annual report of the Audit and Quality Committee, which had been considered the Committee on 10 November 2022 and was recommended to the Board for approval and onward transmission to the Office for Students (OfS).

- i. The annual report of Audit and Quality Committee covered the financial year 1 August 2021 to 31 July 2022. In addition, it covered the Committee's work on the financial statements for 2021/2022 and the associated external auditor's management letter, received by the Committee at the meeting on 10 November 2022.
- ii. The Board noted that two amendments were required subsequent to the issue of the final report:
  - a. Para 50: to remove the final sentence of para 50 should be and place this sentence at the end of Para 47.
  - b. Para 40: The text would be expanded to provide more information on the discussion at the Committee on the Modern Slavery Statement and to clarify the amendment to the chart within the statement.
- iii. The Board endorsed the Audit and Quality Committee report with the additional amendments and gave delegated authority to the Chair of the Board to approve an accountability return for 2022 if it was subsequently requested by the OfS.

### **35. Assurance Statement on Quality**

Harriet Dunbar-Morris, Dean of Learning and Teaching, presented the report which Audit and Quality Committee had received on 10 November 2022.

- i. In previous years the OfS had requested a signed statement on academic assurance. Although no such request had been received, it was important that the Board was assured that the University was maintaining academic standards and enhancing the

quality of the student experience during 2021/2022.

- ii. The report, along with a separate report on Degree Apprenticeships, provided an overview of the principal processes and steps taken by the University to ensure that the setting and maintenance of academic standards were appropriate, and that there was continuous enhancement of the student experience. The report did not feature data on student performance which would form a separate report presented to the Audit and Quality Committee later in the annual cycle.
- iii. Following a review, high-level proposals for a revised course approval approach were approved by the University Executive Board in October 2022, and would now be developed into a policy and an operational framework, for approval by Academic Council in 2022/23.
- iv. The Board noted and welcomed the introduction of Sandpits (now called Charrettes) which involved staff and students working together to develop projects and initiatives to address the awarding gap at the level of the Faculty, School or course.
- v. The Board noted the report and confirmed that it provided reassurance that the University was maintaining academic standards and enhancing the quality of the student experience.

## 36. Prevent Duty

Claire Dunning, University Solicitor, presented the report that had been received by Audit and Quality Committee on 10 November 2022.

- i. Governing bodies were required to provide the OfS with a statement each year confirming their assurance that this responsibility had been met. The report provided assurance to the Board of Governors that the University was delivering its obligations under the Prevent duty.
- ii. Section 26 of the Counter-Terrorism and Security Act 2015 placed a duty upon higher education institutions to have “due regard to the need to prevent people from being drawn into terrorism”. As part of the duty, the University was required to submit an annual accountability and data return to the OfS.
- iii. The Board welcomed the regular contact and dialogue with Hampshire Police through mutual attendance at various meetings and fora.
- iv. In response to a question, it was stated that there had been no referrals to Channel during 2021/2022.
- v. It was noted that the forthcoming changes to freedom of speech legislation may have an impact on the obligations of the Prevent duty for Universities and the OfS.
- vi. The Board noted the report and data return and confirmed that it was content that the University had demonstrated due regard for the Prevent duty during 2021/2022.

### 37. Corporate Risk Register

Claire Dunning, University Solicitor introduced the corporate risk register which had been considered by the University Executive Board and the Audit and Quality Committee as a prelude to submission to the Board of Governors.

- i. As part of the changes to the University's planning processes for 2022/2023, four Delivery Strategies would be developed - education; research and innovation; global; and people. Each of the four Delivery Strategies would set the parameters for the University's risk appetite for the activities they represented.
- ii. Each faculty and professional service would establish and maintain an Operational Delivery Plan and risk register that would articulate their contribution to the University's four delivery plans. This would become operational in March 2023 once the plans were established.
- iii. The Audit and Quality had noted that:
  - a. It was good to be able to see more detail on the status of outlined mitigations e.g. proposed or implemented.
  - b. The register would be developed into a database that would allow the Committee to "drill down" on particular risks across the University.
  - c. Risk themes were emerging more clearly within the Corporate Risk Register and enabled the identification of potential tensions between targets e.g. widening access and graduate outcomes.
- iv. Discussion would take place regarding which aspects would be reported to the Board, with Audit and Quality Committee having close oversight of the register.
- v. Implementation groups would be responsible for monitoring the actions with executive team members having oversight of each of the four key pillars.
- vi. Key performance indicators (KPIs) would be established for each group but the Board noted that measures for such aspirations as being a civic University were hard to quantify.
- vii. It was noted reputational risks such as the negative impact of research misconduct issues may not necessarily be captured in identifying operational risks. Four items had been identified as having a high-risk impact but these appeared more operational in focus:
  - a. Standards for international students
  - b. Government policy/funding
  - c. Estate improvements
  - d. Cyber-security

- viii. The Board welcomed the developing format, noted that the Audit and Quality Committee would regularly review the register and that information on KPIs would be brought to the Board in the new year.

### 38. Modern Slavery Statement

- i. Claire Dunning, University Solicitor presented the University's Modern Slavery Statement which had been considered by the University Executive Board and the Audit and Quality Committee on 10 November 2022 and was recommended for approval, subject to an amendment to Overview of the University's Spend Categories chart The Modern Slavery Act 2015 required organisations (and subsidiaries) with a turnover of more than £36m to produce and publish an annual slavery and human trafficking statement. The statement should be published within six months of the financial year end.
- ii. The Modern Slavery Act does not mandate the format or content of the annual statement, but provides non-mandatory guidance as to the type of issues which organisations should consider. The University each year reports on progress against previous objectives and seeks to set stretching targets for the following year.
- iii. The statement included an update on activity relating to the targets set in last year's Modern Slavery Statement which reported that:
  - a. An assessment of current University suppliers against those already using the Net Positive Futures tool was carried out and those University suppliers not currently using the optional tool were contacted.
  - b. Following an audit amongst University Staff, it was noted that there was a wide range of areas of teaching and research in the subject of modern slavery and human trafficking.
  - c. Drawing upon the findings of a review of statements issued by other universities last year, more information was now included in graphical and more visually accessible format.
- iv. The following targets were set for achievement by the University in 2022/23:
  - a. Investigate how the University's investment strategy supports its modern slavery and human trafficking aims.
  - b. Provide examples of where the University's teaching and research in the field of modern slavery has impacted our procurement practices and vice-versa.
  - c. Develop the output from the Net Positive Futures tool to identify specific areas of the supply chain where the university may be exposed to modern slavery practices and demonstrate where the tool has aided University decision making.
  - d. Develop the University's work on mitigating the modern slavery and human trafficking risks in the electronics sector, which has been identified as a key risk



sector for the University.

- v. The Board of Governors approved the draft Modern Slavery Statement and authorised the Modern Slavery Statement being published on the University's website.

**Action: Head of Governance Services**

### **39. Internal auditors - confidential**

### **40. UPSU Code of Practice 2022/2023**

Bernie Topham, Chief Operating Officer and Deputy Vice-Chancellor, presented the University of Portsmouth of Students' Union ("UPSU") Code of Practice for 2022/2023 which was reviewed annually by the UPSU and University Strategy, Governance and Funding Group. This Code of Practice responded to the requirements stated in the Education Act 1994, Part II, Section 22, and showed the respective operating responsibilities of both the University and UPSU. The Board endorsed the UPSU Code of Practice 2022/2023 which would be published on the University website.

**Action: Senior Governance Officer**

### **41. Student recruitment - confidential**

### **42. Apprenticeship summary update - confidential**

### **43. Chair's business**

The Chair had no matters to report to the Board that were not otherwise addressed elsewhere on the agenda for the meeting

### **44. Report from the Vice-Chancellor**

- i. The Chancellor had delivered his Autumn Statement on the 17 November 2022 which had been largely neutral towards the HE sector. However, he had recommitted to the £20 billion Research and Development budget which was good news for universities.
- ii. UCU Industrial Action
  - a. The University and College Union ("UCU") would hold national strike days on 24, 25 and 30 November and Action Short of Strike from Wednesday 23 November.
  - b. Pay negotiations between trade unions and the Universities and Colleges Employers Association (UCEA) representing 145 HE employers had taken place with 3% being the offer for 2022/2023. Discussions were ongoing as to if an early payment linked to the 2023/2024 settlement could be made.
  - c. The University would endeavour to minimise any impact on students and would put alternative arrangements in place for any affected activities on the three strike days.
  - d. Those academics striking would not be paid on those days and these funds would be put into the student hardship fund.
- iii. Graduate Outcomes Survey

- a. Graduate outcomes had always been a focus for the University and the introduction of the Proceed metric within the OfS' B3 regulations meant that they would be the subject of national analysis to a greater degree.
  - b. The Higher Education Statistics Authority ("HESA") analysed data from graduates who completed a survey 15 months after they finish their studies.
  - c. The survey sought to identify if graduates were in employment, had continued with further study and to what extent their qualification had played a part in the outcome.
  - d. The survey often had a lower response rate than for the NSS. The most recent results were for those who graduated at the end of the academic year 2019/2020.
  - e. The University had moved up 17 places in the national rankings for results and was now in the top 50. The results varied between subject disciplines with some areas below the new B3 threshold.
  - f. It was believed that some questions could be misinterpreted by students, for example that using their qualification only related to academic subject knowledge rather than soft and broader employability skills.
  - g. The University aimed to keep in touch with graduates via LinkedIn and by ensuring that up to date email addresses were retained for students. Students were also encouraged to make use of the University's careers advice services in the years after graduating. It was noted that the timing of the end of the availability of student of myport email address was unfortunate in that it ended 12 months after graduating, just before the survey was launched which could potentially have an impact on the ease of contacting students.
- iv. Preparation for National Student Survey ("NSS")
- a. This was led by the OfS on behalf of the funding and regulatory bodies of the UK and was completed by final year undergraduates between February and April.
  - b. A consultation on a series of proposed changes to the questions asked had taken place over the summer, but it appeared that most of the feedback had not been taken on board by the OfS.
  - c. The OfS had introduced a number of changes including a) new questions on mental wellbeing and on freedom of expression, b) removal of the 'overall satisfaction' question, c) introduction of a four, rather than a five-point answer scale.
  - d. Each University was able to formulate one question and some Universities had suggested that each University should use the overall satisfaction question to show the sector found this question invaluable. However, it was noted that the University's own question was in the optional section which not all students completed and so would make comparing responses across the sector harder than if it was in the main body as previously.
  - e. The Board noted the update.
- v. Medical School – **confidential item**

## 45. Infrastructure and Finance Committee Chair's Report

The Board received and noted a report from the Chair of the Committee on the meeting held on 8 November 2022 and accepted the work of the Committees as reported.

#### **46. Audit and Quality Committee Chair's Report**

The Board received and noted a report from the Chair of the Committee on the meeting held on 10 November 2022 and accepted the work of the Committee as reported.

#### **47. Academic Council Minutes**

It was noted that the draft minutes of the Academic Council meeting of 22 November 2022 would be circulated when available.

#### **48. Date of Next Meeting**

The next meeting of the Board of Governors would take place on Tuesday 31 January 2023 from 1130 to 1630.

#### **49. Chair**

- i. Jenny Crighton informed the Board that it was her intention to resign as Chair with effect from midnight on 23 November 2022. An election for a new Chair would be held in the new year and in accordance with the Standing Orders the Deputy Chair shall act as Chair until a new Chair is elected.
- ii. The Vice-Chancellor thanked the Chair on behalf of the Board for her years of service as Chair of the Board and in her former capacity of Chair of the Infrastructure and Finance Committee.