

BOARD OF GOVERNORS

Wednesday, 24 March 2021 (meeting held via video conference)

Present: Mr Edward Astle (in the Chair), President and Vice-Chancellor, Mrs Ann Barnes (Deputy Chair), Prof Claire Alexander, Mr Gary Buxton, Mr Michael Crick, Prof Danielle George, Mr Colin Gillespie, Dr Reinmar Hager, Prof Steve Jones, Mr Kwame Kwarteng (General Secretary of UMSU), Ms Caroline Johnstone, Dr Neil McArthur, Mr Robin Phillips, Mr Richard Solomons, Mr Andrew Spinoza, Dr Delia Vazquez, Dr Jim Warwicker, Mrs Alice Webb, and Ms Ros Webster(20)

Apologies: Mr Nana Agyeman, Mr Nick Hillman and Mrs Bridget Lea

In attendance: The Registrar, Secretary and Chief Operating Officer (RSCOO), the Deputy President and Deputy Vice-Chancellor (items 1-9), the Chief Financial Officer (items 1-9), the Director for the Student Experience (item 7), Dame Angela Pedder (Halpin Partnership), Ms Selena Bolingbroke (Halpin Partnership) and the Deputy Secretary.

1. Declarations of Interest

Reported: there were no new declarations of interest.

2. Minutes

Agreed: the minutes of the meeting held on 24 February 2021 as a correct record.

3. Matters arising from the minutes

Received: an updated report on ongoing issues that had been raised at previous meetings.

4. Initial feedback from the Accountability Review and actions arising

Received:

(1) Feedback on the Accountability Review held the previous day, 23 March 2021.

(2) A summary of performance against University priorities and objectives for 2019-20

Noted:

(1) Progress against the priority “to enable and empower our people” and the component objectives contributing to it was better described as amber (rather than green) given the impact of Covid-19. Members noted further that in respect of this and some other priorities, in future, output rather than input measures of engagement might be more useful.

(2) Progress against the priority “to be distinctive in social responsibility” and the component objective contributing to it was better described as amber, given acknowledged need to improve Equality, Diversity and Inclusion (EDI) performance. Separation of Social Responsibility (SR) and EDI measures and movement away from external charter marks/measures of success were both suggested as potential enhancements.

(3) Operational Priorities for 2021-22 would be considered by the Board in July 2021.

(4) Potential benefits of the EFQM model, which some members had experienced in other settings, merited further consideration.

(5) Initial feedback from the Board was very supportive and appreciative of the Senior Leadership Team response to the pandemic. The Board recognised significant progress against strategic objectives over the past five years, noting that ensuring Financial Sustainability remained the Board’s

most significant concern. Ensuring optimal approach to return to campus and focus on wellbeing of students and staff were also key immediate priorities.

(6) Members of the Senior Leadership Team had welcomed feedback from the Board: members welcomed the role of Board pairs, particularly the value of interaction and meetings before the Accountability Review: there was discussion about the merit of altering the assignment of pairs but on balance, most members were keen to retain the current arrangement given the importance of maintaining continuity and depth of understanding.

(7) Discussion about the extent and breadth of the optimal data set to inform the Review: whilst there were different views on this, there was agreement on the need for a high level summary of data which enabled clarity of focus on progress against institutional priorities (including relevant milestones and metrics).

(8) Members welcomed the transparency of the process. Some members found the process of review and reflection intrinsically valuable, whilst some questioned the value of a complete day looking back at past performance, whether there might be merit in shorter, more focused sessions and the merits of holding the event earlier in the academic year.

Resolved: to approve the changes to measurement of progress against priorities in 2019-20 as outlined in (1) and (2) above. **Action: Deputy Secretary/Director of Planning**

5. President and Vice-Chancellor's report

Received: the report from the President and Vice-Chancellor.

Reported:

(1) Applications and acceptances (including from international students) continued to be very strong. Attrition rates were generally lower than at the corresponding time in the previous year.

(2) Reported Covid infection rates were low, although testing take up was also low: it was hoped that home, lateral flow tests would be introduced for students shortly.

(3) The Research Excellence Framework (REF) submission had been made and a post-submission analysis would be undertaken. The Vice-President for Research and colleagues were congratulated for a timely and high quality submission.

(4) Concerns about the implications of recent Government announcements about reductions in research funding.

(5) The outcome of the student referendum: turnout in the referendum had been 13% and of those voting 89% had voted in favour of the motion of no confidence in the President and Vice-Chancellor and members of the senior leadership. Correspondence relating to the Board statement was included in the Chair's report (see item 9 iii) below). The President and Vice-Chancellor had attended a number of recent open meetings with students and had received challenging questions and it was recognised that there were areas of concern which needed to be addressed: the organisers of the referendum campaign had not attended these meetings.

(6) Some instances of poor behaviour contravening Covid regulations continued at student residences.

(7) Budget challenge meetings with senior managers were ongoing and models for future Professional Services delivery were under review.

(8) The Board had been updated on the latest USS position at its previous meeting and a date in early May (4th, 2-3pm) had been reserved to enable the Board to consider the response to the employer consultation. An [open meeting for staff](#) led by an independent, external pensions expert had been held on 24 March.

(9) Consideration of University engagement with China continued and the results of an executive review would be brought to the Strategy Session on 5 July 2021. The newly established Research

Relationships Oversight Group would enable increased scrutiny of significant research proposals including those from China.

Noted:

(1) Discussions about return to campus (for staff and students not working from home) were ongoing: the University would follow relevant Government guidance and it was hoped that this would enable more extensive face-to-face teaching for students after Easter. Amongst Professional Services staff there was active discussion about new models of hybrid working which would evolve and develop over the next few months.

(2) In relation to the student referendum, the statement agreed at the previous meeting had been released shortly after the announcement of the result. Some members questioned the timing of the release, noting that it could give the impression that the Board had not given sufficient consideration to issues raised and therefore that the Board had not struck the right balance between critical challenge to and support for the senior leadership.

(3) Other members noted that the Board had given lengthy consideration to the referendum response at the previous meeting, that the statement referred to challenge offered by the Board and recognised that students had not had the experience they would have wished for. A delay in the response could also have been criticised and potentially given the appearance of lack of support for senior leadership. The response also recognised that senior leaders had not always got things right and had demonstrated an appetite and willingness to take action where this was the case. The timing of the referendum also meant that the Board had been able to take cognisance of feedback on performance of the President and Vice-Chancellor in the previous year (see item 9 i) below).

(4) The Board always took concerns raised by students seriously: as noted above it was disappointing that those involved in the referendum campaign had not engaged either with the President and Vice-Chancellor in open meetings or with the Students' Union leadership. The Board had engaged with student representatives on a regular basis over the past few years and it was suggested that consideration be given to holding an open meeting for the Board with students.

(5) It was important to unpack and analyse the various contributory reasons why students had supported the referendum and, as noted previously, there was increased and continued focus on effective engagement and dialogue with the student body.

(6) Uncertainties about the future HE funding environment had been discussed at the Accountability Review: there was increasing concern at Government level that the escalating RAB charge (i.e. the cost of borrowing to support the student finance system) was a contributory factor to the current HE financial model not being sustainable.

(7) Reference was made to a proposed £250 million per annum Greater Manchester Innovation Transformation Fund to assist the region in realising potential, contribute more to the national economy and compete on a level footing for national and international research and development funding in future. It was anticipated that the bulk of this funding would be targeted at infrastructure improvements.

6. Fallowfield Fencing Inquiry-Task and Finish Group further progress report

Received: a report providing an update on implementation of actions arising from the inquiry into the erection of fencing at the Fallowfield Halls of Residence on 5 November 2020. A final report would be submitted to the Board at its meeting on 19 May 2021.

Reported:

(1) There had been good progress in developing a student communications and engagement strategy, a process which included co-creation with students.

(2) Ongoing work with an external partner to consider task approvals, management and execution of responses to future emergency, critical and dynamic situations at the University. This included coaching based scenario planning with relevant staff

Noted: the comment from one member that the language used in the report could have been clearer and a request that the final report summarises more clearly what had-or would change against the original conclusions and recommendations. **Action: RSCOO**

7. Office for Students letter-regulation during the pandemic (compliance with Registration Condition C1: consumer protection law): update

Received: a report providing an update on work to review the University's compliance with consumer law during the pandemic as required by the Office for Students (OfS). A full, final report would be presented to the Board at its meeting on May 19 2021.

Reported:

(1) The OfS had asked institutions to:

- (a) Re-test whether they were sufficiently clear with new and continuing students about how teaching and assessment would be delivered in 2020-21, the circumstances in which changes might be made, and what those changes might entail;
- (b) Assess whether students received, during the autumn term, the teaching and assessment they were promised and might reasonably have expected to receive based on the information provided;
- (c) Assess whether current plans for the spring and summer terms ensure that students will receive the teaching and assessment they were promised and might reasonably expect to receive based on the information provided.

(2) The approach to the review encompassed:

- Review of the overarching processes and controls to ensure compliance (with input from Uniac)
- Framework for programme amendments during the pandemic
- Communications and marketing materials
- Programme level review (including programme changes and student communications, programme delivery and quality and programme planning for 2021/22)
- Thematic consideration (e.g. cross-cutting themes)

(3) Collectively, the above required assessment of a large volume of information and this represented an additional burden on colleagues (especially at School level) who were focused on delivery of the best possible teaching and learning experience.

(4) The OfS had advised that it had received a small number of notifications relating to quality of provision and teaching time throughout the pandemic with notifiers claiming that they had not received the experience (including contact hours) that they had expected to receive, based on information prior to the start of the 2020-21 academic year. The OfS had therefore asked to see the review of compliance law when it was available and has also asked to see the current, interim report.

Noted:

(1) Whilst there was potential for financial exposure if the University concluded there were any shortcomings in relation to information provision or teaching and assessment delivery, this was not anticipated to be significant (and some of this had already been taken into account, for example in relation to field courses which had not been able to take place).

(2) The OfS needed to exercise caution to ensure that it did not move into adjudication of student complaints not resolved at institutional level, which was the preserve of the Office of the Independent Adjudicator (OIA). The OIA had taken on new adjudicators in response to an increase in workload and there had been some recent unexpected outcomes.

(3) Whilst it had not been possible to deliver aspects of the broader student experience (in common with the rest of the sector), there was confidence that the University had satisfied its commitment to deliver Intended Learning Outcomes. The specific local context of Manchester which had been faced with more stringent local pandemic related restrictions (and over a longer period) than much of the rest of the country was noted.

(4) The final report would provide specificity and clarity for the Board in relation to compliance with the request outlined in (1) (a to c) above. **Action: Director for the Student Experience**

(5) Comments about the proportionality of the OfS requirements and the potential to reflect this when the Board approved the final version of the report for submission to OfS.

(6) At a national level, concerns remained about the ability to graduate dentists (given lack of placement opportunities) and the feasibility of international students returning to campus (where this was a requirement to complete their programme of study successfully).

8. Board Committee reports

(i) Audit and Risk Committee (25 February 2021)

Received: a report from the meeting held on 25 February 2021 regarding [REDACTED] the appointment of [REDACTED] external auditors. **Redacted – Restricted Information**

Reported:

(1) As part of its client acceptance processes, issues had come to light in relation to the University's status as a Public Interest Entity which meant that the appointment was now under review. [REDACTED]

Redacted – Restricted Information

(2) Options were being explored and the Audit and Risk Committee and the Board would be apprised of developments as soon as the position was clearer.

Action: Chief Financial Officer/Deputy Secretary

ii) North Campus Working Group (8 March 2021)

Received: a report from the meeting of the North Campus Working Group held on 8 March 2021.

(iii) Nominations Committee (17 March 2021)

Received: a report from the meeting of Nominations Committee held on 17 March 2021.

Noted:

- (1) The Governance Effectiveness Review project pack developed by Halpin.
- (2) Progress in relation to lay member appointments, including a revised role specification which emphasised the potential for the relevant appointee to take on a Board leadership role: this would help to maximise Board choice when the time came to choose a successor to the current Chair. Applications from all sectors were welcomed and the specification was based on earlier Board consideration of the Board skills and experience matrix
- (3) There were now three vacancies from September 2021, one for a lay member appointed through the Alumni Association and two other lay members (Michael Crick, Bridget Lea and Andrew Spinoza would step down from the Board at the end of the current academic year).
- (4) The Committee had recommended that the proposed changes to Statutes and Ordinances (in relation to methods of sourcing the Chancellor and the non-academic/research staff Board member be deferred.
- (5) Supporting material in relation to the proposed Statutes and Ordinances changes as considered by Nominations Committee was available in the Diligent Reading Room; this included the text of an open letter addressed to the Board of Governors from staff (with over 500 signatories). The number of signatories indicated the concern that this issue had raised amongst staff: whilst the text of the letter was available to members, the Board agreed that to ensure complete transparency it would have been helpful for the letter to have been made available in the full Board pack.

Agreed:

- (1) Gary Buxton, Richard Solomons and Alice Webb be appointed for a further three year term (ie until 31 August 2024).
- (2) In relation to proposed changes to Statutes and Ordinances, that further consideration of the proposed changes be deferred until that Governance Effectiveness Review was completed. The relevant Statutes and Ordinances would therefore remain unchanged for the time being and this meant that the next Chancellor would be chosen through the current electoral process, with elections taking place in 2022.
(NB The Chair was not present for discussion of the following item.)
- (3) To invite any expressions of interest in the position of Chair of the Board by Monday 12 April 2021, noting the Committee's unanimous recommendation that the current Chair be appointed for a further year (a further one year term until August 2022 would mean that the current Chair had served the usual maximum permitted term of six years).

Action: Deputy Secretary

(iv) Finance Committee related matters

Received: reports on the two matters below.

a) Investment Strategy: Short-Term Recommendations

Agreed: to approve a short term change to the investment strategy and target asset allocation, until the overall investment strategy is reviewed in the next 12 months, as outlined in the report.

Action: Chief Financial Officer

b) Revolving Credit Facility (RCF) and change from LIBOR (London Inter Bank Offered Rate) to SONIA (Sterling Overnight Index Average)

Agreed: to approve the delegation of authority to the Chair of Finance Committee to review and approve the relevant documentation in relation to the RCF change from LIBOR to SONIA.

Action: Chief Financial Officer

9. Chair's Report

(i) President and Vice-Chancellor Performance and Development Review

Before consideration of this item, the President and Vice-Chancellor left the meeting along with all officers in attendance except the RSCOO and the Deputy Secretary.

Received: a report summarising feedback from Board members as part of the Performance and Development Review process for the President and Vice-Chancellor.

Reported: the collective view of the Board was that, in an exceptional and unprecedented year (and noting incidents which had attracted adverse media coverage) the performance of the President and Vice-Chancellor continued to be very strong.

Noted:

(1) The continued importance of encouraging and increasing delegation, building on progress made during the pandemic, which would have personal and institutional benefits.

(2) The need to ensure that the Senior Leadership Team had the full range of complementary strengths to support the President and Vice-Chancellor's leadership

(3) The need for clear and continued strategic focus on longer term financial sustainability (noting the flexible and agile response to financial management as part of the pandemic response).

Action: Chair of Board

ii) Appointment to Manchester University Press Board

Noted: Chair's action to extend the appointment of Michael Crick to the Manchester University Press Board until September 2022.

iii) Correspondence relating to the student referendum

Noted: An exchange of e mails with student referendum campaigners, following the issuing of the Board statement after the student referendum.

10. Forward agenda for 2020-21

Received: the Board forward agenda for 2020-21.

CLOSE