

University of Central Lancashire
Unreserved Minutes of the Board Meeting Held on 25th November 2021 commencing at 2.45pm at the Belsfield Hotel, Bowness-on-Windermere.

Present :

Jim Edney (Chair) UB975 - 980(x) and UB989(ii)
David Taylor (Chair) UB980(xi) - 992 excluding UB989(ii)

Fiona Armstrong	Sue Ion
Graham Baldwin	Lesley Lloyd
Zuleikha Chikh	Ruth Lowry
Nicky Danino	Anne McCarthy
Ridwanah Gurjee	Lorraine Norris

Also in attendance :

George Charles (Chief Finance Officer)
Ruth Connor (Deputy Chief Executive)
Ian Fisher (University Secretary and General Counsel and Clerk to the Board)
Carolyn Johnson (Executive Officer to the Vice Chancellor)
Ken Lee (Chief People Officer)
Peter McMellon (assisting the Clerk to the Board)
Fiona Winters (Deputy Clerk to the Board)

UB975. Welcome and Apologies

It was noted that the Board Chair (Mr Taylor) was unable to attend at the beginning of the meeting. The Board Deputy Chair (Mr Edney) therefore chaired the meeting at the outset.

The Chair welcomed all present to the meeting.

Apologies for absence had been received from Mr Hext and Mr McQueen.

UB976. Declaration of Interests

There were no declarations of interests other than those recorded under UB988 and UB989(ii) below.

UB977. Chair's Announcements

There were no Chair's announcements.

UB978. Reserved and Unreserved Minutes of the University Board Meeting held on 23rd September 2021

Resolved: That the Reserved and Unreserved Minutes of the University Board Meeting held on 23rd September 2021 were agreed as a true record and signed by the Chair.

UB979. Matters Arising

It was noted that various Matters Arising would be covered under substantive items later in the agenda. There were no other Matters Arising.

UB980. Vice-Chancellor's Update

Professor Baldwin presented his report. A copy of the report is set out in the Minute Book.

Professor Baldwin confirmed that a number of points and questions previously raised by Board Members (including the request for more detailed information on the University's strategy in East Lancashire and Burnley) were addressed in his Update report. However, the request for further information on the University's International Partnerships will be covered by a full report at the next meeting of the Board.

(i) Return to Campus

After a relatively quiet start at the beginning of term, the campus is now very lively with the new Student Centre contributing to the vibrant atmosphere.

Two Open Days have been successfully delivered with feedback from attendees suggesting that the UCLan Open Days compared favourably to equivalent events elsewhere.

Ms Chikh asked about Open Day attendance numbers and Mrs Connor advised that, while the numbers at the October 2021 event had been lower than the equivalent event in 2020, the numbers at the November 2021 Open Day had been the highest so far recorded. The Student Centre had been central to the on-campus attractions and appeared to be influencing inclination to apply for a place at UCLan.

Ms Chikh advised that a regular line of feedback from the University's Student Ambassador Open Days participants was that 'It was better than expected...' suggesting that the University still had some way to go to get rid of no longer valid reputational issues. Professor Baldwin agreed and pointed to the drive to improve League Table placings as an obvious way to enhance reputational status. He reminded the Board about the ongoing work being led by Professor A Ireland.

The Science Festival and the Remembrance event had also been well attended.

(ii) Comprehensive Spending Review and Budget Statement

There has been a slowing down of the process for the replacement of BTECs and, given the number of UCLan students gaining such qualifications, the delay is not unwelcome.

UCLan will respond to consultation invitations on the future shape of Lifelong Learning entitlement and also on the funding of Higher Education (student fees, student loan repayments etc) expected to be introduced in 2025.

The current suggestion that student fees are more likely to be frozen is not great news but is better than actual reductions to fees chargeable. However, the impact of rising inflation will be to reduce the real value of fees income even further and this obviously translates into significant budget challenges for the sector's institutions.

In a recent letter to all institutions, Michelle Donelan (Minister of State for Further and Higher Education) gave emphasis to the importance of 'outputs' including student retention rates and progression into graduate jobs. At the OfS, a new Director for Fair Access and Participation (John Blake) has been appointed to drive the focus on targets to reduce dropout rates and to improve progression into high-paid and high-skilled jobs. At UCLan, progression into graduate jobs is acceptable, but there needs to be further improvement on retention and this features prominently in the implementation of the new Strategy.

It was noted that the current Chief Executive at the OfS (Nicola Dandridge) will leave that role at the end of April 2022. The Government appears to be ready to give the OfS additional powers which far exceed those applied by HEFCE. These might include powers of direct intervention where 'poor performance' is perceived.

Foundation Years in universities are expected to continue, but with a reduced cap on fees. Also, there will be opportunities for universities to increase their Levels 4 and 5 provisions, including Degree Apprenticeships work. At UCLan, an appointment to a new key post to oversee the delivery of Degree Apprenticeships is anticipated.

All in all, there is much to which UCLan will need to respond when the Government proposals are announced.

(iii) New Social Mobility Index

The Institute for Fiscal Studies has constructed a social mobility index, using the proportion of disadvantaged young people enrolled on a university course and their later progression into a job in the top 20% of earnings. UCLan was ranked 61 out of 117 institutions, but, when adjustments are made for cost of living, UCLan's position rises to 35th place (ie, the 'higher zone' in league table compilations).

Reserved Minute - Text Redacted

(iv) Reserved Minute - Text Redacted

(v) COP26

COP26 and environmental issues will also be covered in the Board's dedicated session later in the programme for the two-day event.

(vi) Reserved Minute - Text Redacted

(vii) Preston's College

Relationships with Preston's College continue to strengthen with the College's new Principal now attending to the College's future plans and strategies.

(viii) Reserved Minute - Text Redacted

(ix) Student Support and Wellbeing

A very pleasing 97% positive response rate means that the vast majority of students have signed up to the protocol which allows the University to approach their 'named person' in the event of significant wellbeing concerns.

(x) Public Relations

In noting the University's impressive achievement in three Times Higher Education Awards nominations, Board members concurred with Dr Armstrong's general assessment of the reported media coverage as being extremely good.

(Mr Taylor joined the meeting at this point and took over as Chair)

(xi) Cyberforce

In noting Professor Baldwin's report on the successful collaboration with Lancashire County Council, Lancashire Enterprise Partnership, Lancaster University and BAe Systems, the Chair outlined the background from which this highly prestigious initiative had emerged. An impressive amount of effective teamwork had been necessary to assure the success of the endeavour which stood to establish Lancashire as a national leader for cyber and security-related capabilities. The cost of the first phase investment was very high in keeping with such an immense project. Furthermore, and in addition to the cyber angles, there are many other potential benefits and opportunities for UCLan.

Professor Baldwin agreed and outlined the ongoing liaisons and other preparatory work.

Resolved: That the Vice-Chancellor's Update Report be received.

UB981. Reserved Minute - Text Redacted

UB982. Draft Consolidated Financial Statements and Letter of Representation

Mr Charles presented the draft 2020/21 consolidated Financial Statements, together with the Letter of Representation. Copies of both documents are set out in the Minute Book.

Mr Charles summarised the problems which had been encountered in consequence of the External Auditor (KPMG)'s failure to complete the 2020/21 audit in line with the agreed Plan and timeline. The auditing of the University's subsidiary entities has yet to be finalised. This matter had been noted by Resources Committee and discussed in more detail at Audit Committee where a way forward (based on the application of agreed KPIs) had been identified.

In confirming that the draft Statements and accounts had been scrutinised at both Resources Committee and at Audit Committee, with both Committees anticipating an unmodified audit opinion and recommending the Board to approve the Statements and accounts, Mr Charles drew attention to the two minor amendments made to the documents since the review by Audit Committee. These amendments included insertion of the Audit Committee's Opinion within the Corporate Governance Statement.

The Board noted Mr Charles's further comments on Note 29 (latest guidance on US Loans reporting) and on pensions provisions.

Resolved: That

- (i) the Financial Statements for 2020/21 and the Letter of Representation be approved and be signed by the Chair on behalf of the Board;
- (ii) KPMG be reappointed as external auditor for the 2021/22 accounts.

UB983. Annual Report of Audit Committee

Mrs Lowry presented the Annual Report on behalf of the Audit Committee. A copy of the Annual Report is set out in the Minute Book.

Mrs Lowry reminded Board Members about the assurance which the Committee's Annual Report offers when acceptance of the Consolidated Financial Statements is considered. She then briefly summarised the constituent elements of the Report. She confirmed that the Audit Committee had reviewed and approved the Report now presented and that the Board (and the Accountable Officer) can thereby be assured that the Committee has fulfilled its responsibilities and complied with its Terms of Reference.

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

UB984. Annual Report of Remuneration Committee

Mr Lee presented the Annual Report. A copy of the report is set out in the Minute Book.

Mr Lee advised that the Annual report was presented in accordance with the guidance issued by the Committee of University Chairs in order to update the Board on senior remuneration issues and to provide assurances that the University was dealing with the guidance. With regard to the content, Mr Lee reported that this reflected a relatively stable year. He confirmed that in line with the treatment of the annual pay award for staff in general, a 'zero uplift' was agreed by the Committee for the senior staff included in the Remuneration Committee's remit.

Resolved: That the Annual Report of the Remuneration Committee be received.

UB985. Annual Prevent Assurance Report - 2020-21

Mrs Connor presented the draft Prevent Assurance Report for submission to the OfS. A copy of the report is set out in the Minute Book.

Mrs Connor suggested that the contents of the report (which is submitted annually to the OfS together with the Accountability and Data Return) should provide the Board with a high degree of reassurance as to the continuing efficacy of the University's policies and processes. She confirmed that the University had successfully maintained the high standards of support throughout the pandemic-affected periods of the year, when demand for support had been heightened.

Mrs Connor also drew attention to the attendance at the University of the DFE's prevent specialist for the North-West. Mr N Lund had once again provided useful updates to a range of staff, including the VCG.

The Board noted the Report and agreed that the University's systems and policies appeared to be working well.

Resolved: That the Annual Prevent Assurance Report and the Accountability and Data Return be approved for submission to the OfS.

UB986. Modern Slavery and Human Trafficking Statement 2020-21

Mr Lee presented the report on the proposed slavery and trafficking statement for the financial year ending 31st July 2021. A copy of the report is set out in the Minute Book.

Mr Lee reminded the Board that the statement once approved is displayed on the University's website.

On reviewing the draft statement, it was noted that the preamble had been shortened. It was also confirmed that the reference to 'partners in all regions of the globe' was valid.

Mrs Lloyd indicated that the draft statement might be improved with some minor amendments to the wording and it was agreed that she would raise those points separately with Mr Lee.

Resolved: That, subject to the inclusion of minor revisions to the wording, the draft slavery and trafficking statement (2020/21) be approved and be published on the University website.

UB987. Ethnicity Pay Gap Reporting

Mr Lee presented his report on ethnicity pay gap. A copy of the report is set out in the Minute Book.

Mr Lee advised that the report was in response to the request at the last meeting of the Board. He confirmed that, unlike the gender pay gap reporting obligation, no such requirement currently exists for ethnicity pay gap reporting. However, consideration of the available data now provided would be entirely consistent with the University's commitment to being an inclusive organisation.

It was noted that the numbers in the report were relatively small and thus susceptible to significant swings. The figures indicate where gaps may need to be reduced. However, the ethnicity position represents considerably less of a challenge than the gender pay gap.

Mrs Gurjee suggested that future reports would be even more informative if combined ethnicity and gender figures could be shown.

Ms Chikh also suggested that data on internal promotion and retention rates would enhance the picture.

Dr Danino drew attention to the disappointingly low rate of employee preparedness to disclose ethnicity. Mr Lee confirmed that all protected characteristics were similarly affected and that this reticence needed to be addressed.

Mrs McCarthy advised that, as staffing profiles become affected in consequence of budget-balancing measure under contemplation (see UB981 above), the impact on pay gaps should be borne in mind. Mr Lee confirmed that appropriate Equality Impact Assessments will routinely be applied.

Mrs McCarthy also anticipated that, as the University's involvement in Burnley and East Lancashire develops, this will be reflected in staff profiles.

Mr Lee commented on the positive action which should ensure that job applicants come from appropriately diverse backgrounds. These matters are addressed in the Sub-Strategies which support the new University Strategic Plan.

Dr Ion felt that the reported 13% (of staff registered as being from ethnic minority backgrounds) seemed surprisingly low. She suggested that breakdowns into levels of jobs would be useful. Regarding the recruitment challenges, role models could be effective in encouraging applications.

Resolved: That the report on Ethnicity Pay Gap be noted.

UB988. Pensions Update

Interests were declared in respect of this item as follows:

- Mr Edney, Mr Fisher and Mrs Lowry – Members of the Local Government Pension Fund with no financial interest relating to the University's membership of the fund.
- Mr Charles, Mrs Johnson, Mr Lee, Mrs Connor, Ms Winters and Mr McMellon - Members of the Local Government Pension Fund as employees of the University.

Mr Lee provided a verbal update on the new Defined Contribution pension scheme. He confirmed that the new scheme was now in operation and that feedback from initial members was positive. This included satisfaction around the communications used in promoting the availability of the new scheme. To date, there has been no noticeable negative reaction from staff.

Resolved: That the report be noted.

UB989. Committee and Working Group Chairs' Updates

(i) Honorary Awards Committee

Professor Baldwin (Chair of Honorary Awards Committee) reported on the awards approved by the Committee at its meeting on 6th October 2021. There were three Honorary Doctorate appointments and four Honorary Fellowship appointments, and Professor Baldwin provided further detail on the individuals.

Professor Baldwin added that the Committee hoped for future nominations from suitably diverse sources and backgrounds.

(ii) Governance, Risk and Nominations Committee

Mr Fisher reported on the matters considered at the meeting of the Governance, Risk and Nominations Committee meeting on 6th October 2021. These included reviewing the draft Corporate Governance Statement, reviewing compliance with OfS reporting duties (one occurrence had had to reported and Mr Fisher provided summary details) and University Risk Register review, wherein no concerns had been identified.

Mr Taylor and Dr Armstrong declared their interests in the following issue and took no part in the consideration of the matter. Mr Edney chaired this section of the meeting.

Mr Fisher reported that the Committee had also considered the case for further re-appointment as Board members of Dr F Armstrong and Mr Taylor. The Committee had resolved to recommend the re-appointment for a further eighteen months of Dr Armstrong and Mr Taylor.

Resolved: That 18 month extensions to the existing terms of office of Dr Armstrong and Mr Taylor be approved.

(iii) Remuneration Committee

Dr Ion (Chair of Remuneration Committee) reported on the proceedings at the Committee's meeting on 20th October 2021. These had included two presentations from external bodies and also the review and approval of the Committee's annual report (UB984 above).

Dr Ion also reported that two confidential staffing matters had been considered and resolved by the Committee with helpful guidance from Mr Fisher and Mr Lee.

(iv) Resources Committee

Mr Edney (Chair of Resources Committee) reported on the matters covered by the Resources Committee at the meeting on 1st November 2021. He confirmed that many of the matters reviewed at that meeting (including the Draft Consolidated Financial Statements) had already been addressed earlier in today's Board meeting. The Committee had considered ethical investment dimensions under the review of the annual Treasury Report and the Treasury Management Policy. The Public Information Disclosure Policy and the Fraud Policy Statement and Response Plan updates had also been approved.

Reserved Minute - Text Redacted

Finally, appointments to subsidiary bodies in line with the Committee's Terms of Reference had been approved.

(v) Audit Committee

Mrs Lowry (Chair of Audit Committee) reported on the matters covered by the Audit Committee at the meeting on 10th November 2021. She confirmed that the matters relating to the external audit of the 2020/21 accounts (UB982 above) had been considered and a way forward suggested to Mr Charles. The next Governance Effectiveness Review is still deferred pending the filling of vacancies on the Board.

Reserved Minute - Text Redacted

(vi) Environmental Working Group

Mrs Lloyd (Chair of Environmental Working Group) reported on the matters covered at the Environmental Working Group meeting on 20th October 2021. The Group had noted where 'sustainability' features in the 2021-2028 Strategic Plan and also COP26 conference related events at UCLan. These matters and also the University's decarbonisation planning strategy will be covered more extensively in the special sessions scheduled for the following day.

Resolved: That the Chairs' Updates be noted.

UB990. Academic Board - Meeting on 10th November 2021 - Update

Dr Ion (one of the two Board representatives at Academic Board) confirmed that there were no concerns to report. The Academic Board agendas are rather extensive but the meetings are conducted as efficiently as possible.

Resolved: That the update report be noted.

UB991. Reserved Minute - Text Redacted

UB992. Date and Time of Next Meeting

The Chair suggested that, providing conditions allow, the next meeting of the Board should be at University's Burnley Campus where a tour of the facilities could precede the actual meeting.

Mrs Lowry also requested that formal confirmation of Board/Committee meetings dates/times for the remainder of 2021/22 should be notified to Board Members as soon as possible.

Resolved: That the next meeting be Thursday, 3rd February 2022 at the Burnley Campus, timings to be confirmed.

**I M Fisher
Clerk to the Board**