

BOARD OF GOVERNORS

Confirmed

Minutes of the meeting of the Board of Governors, held on Thursday 14 July 2022 at 5.30 pm via MS Teams

Attendance

Mr D Hewitt (Chair)

Mr P Marshall	Prof T Middleton
Mr M Pragnell	Mrs S Footring
Dr A Bols	Mrs C Flanagan
Mr M Dineen	Ms T Coop
Mr F Howie	Mr N Spenceley

In Attendance: Mrs R Leno (Executive Governance Officer), Mrs J Rusbridge (Director of HR & SS), & Ms H Duglan (Registrar & Secretary) & Mr C Nix (Interim Director of Estates). Mr D Wederell (Management Accountant) attended for item 10 only.

GB/22/38 APOLOGIES FOR ABSENCE AND WELCOME

Noted Apologies for absence were received from Mr S Spencer (Staff Governor), Ms S Corcoran (Independent Governor), Miss E-J Murray (Independent Governor), Mr D Holmes (CFO), Mrs R Meads (Director of Admission, Recruitment and Marketing) and Mrs F Burrage (Director of FE).

GB/22/39 STARRING OF AGENDA ITEMS

Agreed The starring of agenda items was agreed.

GB/22/40 DECLARATION OF INTERESTS

Noted None received.

GB/22/41 NOTIFICATION OF ANY OTHER URGENT BUSINESS

Noted None received.

GB/22/42 MINUTES

Considered & agreed 42.1 **Minutes of the meeting held on 10 March 2022**
The Board received and considered the minutes of the meeting held on 10 March 2022 and these were confirmed.

Noted 42.2 **Business by correspondence**
The Board noted the approval of business by correspondence, June 2022.

42.3 **Action Tracker**

Considered

The Board received and considered the action tracker.

GB/22/43 **MATTERS ARISING**

The Board considered the following matters arising not considered elsewhere on the agenda:

43.1 UCU Strike Action (minute 98 & 103)

Considered

The Director of HR & SS provided an update concerning the UCU strike action. It was reported that the sector was facing significant challenges although to date the strike action had not had a significant impact on WUC.

43.2 Tuition fees (Minute 101.3)

Noted

It was reported that the updated fees were approved by the Finance & General Purposes Committee meeting held on 21 April 2022.

43.3 Honorary Awards

Noted

It was noted that the Board had subsequently approved the nomination by correspondence.

GB/22/44 **PROGRAMME OF WORK**

Noted

The Board received and considered the programme of work.

GB/22/45 **LEADERSHIP GROUP & STRATEGY UPDATE**

45.1 Leadership Group update

Considered

The Vice-Chancellor reported that WUC's NSS results were positive and WUC was the 11th institution in the UK overall. This would be used in marketing and publicity material.

The VC reported that the recent Celebration of Horticulture event had been a success with over 750 people attending. WUC had also had a successful FE presentation day and an all-staff afternoon tea which had both been well received.

It was reported that Wilfred Emanuel Jones (the Black Farmer), who had received a WUC honorary degree recently, was working with WUC to promote equality and diversity in agriculture and WUC's widening participation work. This was generating some media interest and BBC's Countryfile may feature this in October.

The VC reported that he and colleagues were meeting with colleagues from the NHS to discuss future health and wellbeing initiatives and collaboration.

It was reported that WUC hoped to hold the annual Food and Farming Day again in summer 2023 (it had been paused due to COVID) with 3000 school children invited. It was hoped to use the facilities (marquees etc) the day after for an initiative with the NHS.

The Board welcomed the positive update and asked for the LG's report to be a written report in future.

**LG report
written in
future**

45.2 Strategic Planning

Considered

The Board received the minutes of the Estates Vision Group meeting held on 17 May and a verbal update concerning the meeting held on 28 June 2022. It was reported that work was continuing to develop the Estates Vision document and to finalise plans for the future of the estate. Work had focussed on replacing facilities

lost in phase one (Kings Lodge Campus). The Board asked when the plans could be shared with the wider staff, and it was reported that the LG was mindful that Endurance Estates wished to maintain confidentiality until they were ready to approach the Council to seek planning permission.

Considered The Vice-Chancellor provided an update concerning the development of the strategy including the Learning & Teaching Strategy, People Strategy and Estates Strategy. There was discussion about the People Strategy and the need to ensure efficient delivery to save costs and become sustainable moving forward while safeguarding staff morale and satisfaction. It was reported that work was continuing to develop a digital strategy which would underpin the learning and teaching and people strategies. Governors asked about the indicators of success and the need for action plans to cover the implementation of the strategies.

Considered & Agreed Governors welcomed the direction of travel, and it was agreed to submit more detailed comments to the VC outside the meeting. It was agreed to schedule a governor development day in September to consider the strategies again.

Comments to VC.

GB/22/46 **FINANCIAL POSITION AND ASSET DISPOSALS**

Mr D Wederell (Management Accountant) attended for this item

46.1 2022-23 Budget

Considered The Board received and considered the proposed budget for 2022-23 which had been considered by the Finance & General Purposes Committee meeting held on 27 June.

Noted The VC highlighted that £350k income from the regional development fund initiative (£150k revenue and remainder capital funding) had not been included in the budget, nor had £200k income for next year for small and specialists institutions from Research England.

It was reported that in September 2021 the forecast was for a deficit of £0.5 million at end July 2022, but this had increased due to the impact of the pandemic, rising inflation and the need for increased investment to add capacity and fund growth. The LG had taken action to mitigate against increased costs, but tuition fees were capped by the government which meant additional income had to be generated by increasing student numbers and third-stream income. There would continue to be a deficit at end July 2023 as WUC needed to continue to invest in growth and increase staff capacity to cope with additional student numbers, particularly in the area of apprenticeships. Longer term the plans outlined in the Learning and strategy and People Strategy aimed to make delivery more efficient to improve the financial position. It was hoped that by increasing student numbers WUC would break even at end July 2024.

There was discussion concerning the income growth assumptions for 2022-24, from apprenticeships (CNH contract and other opportunities), increased conferencing and short courses, increased halls occupancy (and planned fee increases for 2023-24), increased student numbers including international students, and also the anticipated impact of the new Commercial Director post in boosting income and funding opportunities. It was noted that WUC was close to target for HE student recruitment although clearing in August 2022 would be important. It was reported that WUC hoped to attract more international students to an MBA in February 2023.

There was discussion about increased staff costs due to the need to invest to resource expanding areas, particular apprenticeships. Staff costs would also rise due to cost of living pay awards, and the annual increment for eligible staff (April 2023). The Board noted the difficult situation nationally with pay disputes and the possibility

of future strikes. It was reported that UCEA had recommended a pay award of 3.1% in 2022 but the unions had not agreed this.

The Board noted the inflationary pressures on the budget including staff costs and energy costs and inflation was noted as a key risk. It was noted that WUC needed to make capital spending of £800k in 222-23 for essential work (funded by asset finance and asset disposals). There was discussion regarding the cashflow situation, and it was noted that the timing of the Genus sale (£500k) was key although it was anticipated that there would not be a breach of the OfS 30-day regulation in 2022-23 and the first low point was April 2024, although WUC could use the Barclays Bank Trade Loan Facility at this point if needed.

Agreed The Board agreed to approve the budget for 2022-23, acknowledging the challenges WUC faced particularly due to inflationary pressures.

46.2 Cashflow risks and opportunities report

Considered The Board received and considered the cashflow risks and opportunities report.

46.3 Barclays Bank

Noted The Board noted that the bank had approved the exchange of the hybrid promotions agreement with Endurance Estates and had also approved the temporary increase to the trade loan facility.

46.4 Asset disposals

The Finance & General Purposes Committee meeting held on 27 June 2022 recommended that the Board approve the proposal to waive the VAT exemption for the Crawfords sale as outlined below:

"Following advice from the University College's VAT advisers (Davies Mayers Tax Advisers LLP) it has been decided that the VAT exemption is to be waived for a plot of land to be sold to an adjoining agricultural equipment supplier (R W Crawford Agricultural Machinery) to enable that business to extend their existing facility, as this will enable WUC to recover input VAT on directly attributable costs associated with the sale of this land. The University College has, therefore, submitted option to tax documents to HMRC indicating a plan of the land which is intended to be subject to the option to tax. A record of this decision will be kept on the University College's VAT permanent records file".

Agreed The Board agreed to waive the VAT exemption and adopt the wording specified.

46.5 Management Accounts

Considered The Board received and considered the May Management Accounts

46.6 Q3 Full year forecast 2022-23

Considered The Board received and considered the forecast and noted that the vacancy factor was being used to mitigate staff costs, although it was acknowledged that this had an impact on the workload of staff.

46.7 Board key milestones & trigger points

Considered The Board received and considered the Board key milestones and trigger points report as considered by the Finance & General Purposes Committee.

46.8 Appointment/reappointment of legal advisers, bankers and property consultants

Agreed The board agreed the appointment/reappointment of legal advisers, bankers and property consultants as recommended by the Finance & General Purposes Committee.

46.9 Financial regulations

Agreed The Board agreed the revised financial regulations (with minor amendments) as considered by eh Finance & General Purposes Committee.

46.10 Minutes

Considered The Board received the minutes of the Finance & General Purposes Committee meetings held on 21 April 2022, 30 May 2022 and a verbal update concerning the meeting held on 27 June 2022.

Mr P Marshall left the meeting at 7.30

GB/22/47 STUDENT RECRUITMENT UPDATE

Considered The Board received and considered the student recruitment and marketing report. It was noted that WUC hoped to recruit a further 20 HE students in clearing to achieve the target. Investment had been made in the late application. Clearing and conversion processes and there was a targeted digital marketing campaign. It was noted that FE recruitment had not yet met its target, but students were converting at a higher rate than in previous years.

GB/22/48 OFFICE FOR STUDENTS

48.1 Meetings with the OfS held in

Noted The Board received the minutes of the meeting held on 5 May 2022. It was reported that this was the last scheduled meeting with the OfS. The OfS was aware of WUC's situation including the planned asset disposals and Barclays Bank loan and had agreed that no further meetings were necessary at this stage.

48.2 OfS Capital Funding Bid

Noted The Board received a copy of the capital funding bid, submitted to the OfS before the 11 July 2022 deadline.

GB/22/49 AUDIT RISK AND COMPLIANCE COMMITTEE

49.1 Strategic Risk Register

Considered & Agreed The Board received and considered the risk register as considered by the Audit, Risk & Compliance Committee meeting held on 29 June 2022. The Board asked the LG to update the risks to cover the cost pressures from inflation, the estates work, the national situation with inflation and the impact of OfS B3. The Board asked the LG to reconsider the scoring and the risk appetite statement.

CFO to update

49.2 Statutory and external returns register

Considered The Board received the statutory and external returns register as considered by the Audit, Risk & Compliance Committee.

49.3 OfS ongoing conditions of registration

Considered The Board received the OfS ongoing conditions of registration, as considered by the Audit, Risk & Compliance Committee.

49.4 RSM Progress Report

Considered The Board received the RSM progress report, as considered by the Audit, Risk & Compliance Committee.

49.5 RSM schedule of audits 2022-23

Considered The Board received the RSM schedule of audits for 2022-23, as considered by the Audit, Risk & Compliance Committee.

49.6 Minutes

Considered The Board received the minutes of the Audit, Risk & Compliance Committee meeting held on 25 March 2022 and a verbal update concerning the meeting held on 29 June 2022.

GB/22/50 **STUDENT UPDATE**

50.1 Student Union President

The Director of HR & Ss reported that the closing date for applications for the Sabbatical Students' Union President post was 8 July and interviews were about to be held. The Board noted that Dr A Bols was the SU link governor and that he would support the new post holder.

50.2 Students' Union Officers 2022-23

The Board noted the Students' Union Officers for 2022-23.

GB/22/51 **ACADEMIC PERFORMANCE**

51.1 Minutes of Academic Board

Considered The Board received the minutes of the Academic Board meeting held on 11 May 2022.

51.2 National Student Survey

Considered The Board received an update concerning the results of the NSS, published on 6 July 2022. The Board was pleased to note WUC's overall position of 11th institution in England and that some subject areas were outstanding. It was reported that course teams were forming action plans in response to the survey.

Agreed The Board agreed this was good news and it was felt that it should benefit WUC's TEF position. It was agreed that the Board should thank all staff involved for their hard work in achieving this pleasing outcome and also thank the author of the report for producing this summary so quickly.

**Board in
staff
newsletter**

GB/22/52 **PERSONNEL & REMUNERATION ISSUES INCLUDING, HEALTH AND SAFETY, WELFARE, EQUALITY, DIVERSITY & INCLUSION**

52.1 Personnel & Remuneration Committee

Considered The Board received the minutes of the Personnel & Remuneration Committee meeting held on 14 April 2022.

52.2 National pay negotiations

Considered It was reported that UCEA's final offer in the pay negotiations had been declined by the unions and the dispute was ongoing. The sector had agreed that they could not afford to increase the pay offer further. It was reported that there would be a ballot for further strike action. WUC's next JNCC meeting was scheduled for September.

52.3 Gender pay gap

Noted The Board received the gender pay gap information as considered by the committee meeting held on 14 April 2022.

52.4 CFO appointment

Considered The Board received an update concerning the senior staff Board appointment of the new CFO, as considered by the Personnel & Remuneration Committee meeting held on 21 June 2022. It was noted that Mr D Holmes had resigned giving 6 months' notice and was due to finish in January 2023. Meetings had taken place with the Board and committee Chairs to discuss appointing his replacement, with a view to seeking a candidate with HE and FE experience and a commercial focus. It was agreed to circulate further details to Board members to seek approval of the proposals outside the meeting. It was reported that WUC would seek to make this

**Seek Board
approval by
correspondence**

appointment using a recruitment agent and that governors would be involved in this process, including as members of the interview and selection panel.

52.5 Health & Safety

Considered The Board received the health and safety annual report, as recommended by the committee meeting held on 21 June 2022. It was reported that health and safety compliance work was progressing and was being supported by the Interim Director of Estates. It was reported that compliance issues were being prioritised in the capital budget for 2022-23. It was reported that the RSM audit of health and safety had given this re a partial assurance and this was being monitored by the Audit, Risk & Compliance Committee. The Board agreed to approve the health and safety annual report.

52.6 Equality, Diversity & Inclusion Committee

Considered The Board received the minutes of the Equality, Diversity & Inclusion Committee meeting held on 20 May 2022.

Considered & Agreed The Board received and considered the Equality, Diversity and Inclusion Committee draft report, as considered by the Academic Board and the Personnel & Remuneration Committee's meeting held on 21 June 2022. The Board approved the annual report.

GB/22/53

GOVERNANCE AND MEMBERSHIP

53.1 Search & Governance Committee 4 April 2022

Considered & Agreed The Board received and considered the minutes of the meeting held on 4 April 2022.

53.2 Senior Independent Governor

Considered & Agreed The Board received and considered the recommendation of the Search and Governance Committee to appoint the Chair of the Audit, Risk and Compliance Committee as the Senior Independent Governor. This was approved.

53.3 Mr F Howie's term of office

Considered & Agreed The Board agreed to approve an exceptional extension to Mr F Howie's second term of office for one further year, to allow him to continue to be involved with the new estates partnership with Endurance Estates.

53.4 HE Teaching Staff Governor

Considered & Agreed The Board agreed to approve the Academic Board's recommendation to appoint Ms C Flanagan as the HE teaching staff governor for a second three-year term.

53.5 FE Teaching staff governor

Noted It was reported that the Academic Board had been asked to nominate an FE teaching staff governor to replace Mr S Spencer, whose role at WUC had changed making him ineligible for this role. The Board wished to thank Mr Spencer for his time on the Board.

53. 6 Governor appraisals

Considered It was reported that the Search and governance Committee had recommended a cascading system of governor appraisals to be introduced over the summer. The proforma had been considered by the Audit, Risk and Compliance Committee meeting held on 29 June which had recommended some amendments. It was agreed to circulate the details in August 2022.

53.7 Governor recruitment

Considered It was noted that a new governor, Mrs Frankie Fox, would be joining the Board in September. The membership of the Board would then be 17 of a possible 24. It was agreed to consider recruiting further governors with expertise in finance and

audit, FE and estates. It was agreed to discuss the ideal size of the Board and membership of the committees again at the September development day.

53.8 Membership of the Board and its standing committees for 2022-23

Noted The Board noted the current membership of the Board and its standing committees for 2022-23.

GB/22/54 USE OF THE UNIVERSITY COLLEGE SEAL

Noted The Board noted that the seal was used on 7 March for the renewal of the lease to House and Jackson vets on the genus site.

GB/22/55 NOTIFICATION OF CHAIR'S ACTION

Noted The Board noted the Chair's Action taken during the period 10 March 2022 to date as itemised on the agenda.

GB/22/56 ANY OTHER URGENT BUSINESS

Noted It was agreed to circulate the Higher Education Policy Institute (Hepi) report, Why it is time for university governors to do more on academic quality, written by Alex Bols.

Note: This was circulated by email on 18 July 2022.

GB/22/57 CALENDAR OF MEETINGS FOR 2022-23

Considered The Board received an update concerning the calendar of meetings for 2022-23 as considered by the Search & Governance Committee. It was noted that the Board had been consulted about proposals to change the shape and size of the Board and its committees and that the feedback had been to maintain the committee structure as it was apart from merging the Search and Governance Committee with the Personnel & Remuneration Committee. It was proposed to hold more frequent, online, paperless Board meetings to keep the Board updated and allow for timely decisions when required.

The Board agreed to maintain the existing five on campus Board meetings and to discuss this again at the September development day.