



## COUNCIL

### Open Minutes

Of the meeting held on 7 and 8 February 2023 at Missenden Abbey.

#### **Present:**

- Maggie Galliers (Pro Chancellor [Chair of Council])
- Andy Cole (Independent Member [Deputy Chair of Council])
- Professor Nick Braisby (Vice-Chancellor)
- Irene Kirkman (Independent Member)
- Dr Annet Gamell (Independent Member)
- Sadie Groom (Independent Member)
- John Smith (Independent Member)
- Jackie Westaway (Independent Member)
- Dr Susan Rosser (Independent Member – 8 February only)
- Anna Crabtree (Independent Member [Chair of Resources Committee])
- Supriya Sobti (Independent Member [Chair of Audit Committee])
- Justin Sullivan (Independent Member)
- Hilary Mullen (Senate Member)
- Professor Karen Buckwell-Nutt (Senate Member)
- Emma Binnie (PSE Representative)
- Ze'ev Portner (Academic Representative)
- Charlotte Leighton-Woods (Students' Union President)
- Ellie Smith (University Secretary and Clerk to Council)

#### **In attendance:**

- Professor Rachel Cragg (Senior Pro Vice-Chancellor (Education and Digital) – 8 February only)
- Professor Paul Morgan (Pro Vice-Chancellor (Student Experience) – 8 February only)
- Trevor Gabriele (Chief Finance Officer)
- Ian Harper (Commercial and Business Development Director)
- Dr Emma Tomsett (Minute Secretary)
- Matt Hiely-Rayner (Director of Strategic Planning and Change – items on Impact 22, Thrive 28 and Risk Appetite only)
- Professor Ric Khine (Head of School: Health and Social Care Professions – item on School of Health and Social Care Professions only)
- Dean Gibbs (KPMG – Risk Appetite item only)
- Philip Kent (KPMG – Risk Appetite item only)

- Steve Edge (Head of Sustainability – Sustainability Strategy item only)

## **Day One**

### **Welcome and Overview of Agenda**

- 23.01 The Chair welcomed members to the meeting and noted it offered an opportunity to consider BNU's current and future position.
- 23.02 The Chair noted the following apologies:
- Anthony Murphy (Independent Member)
  - Steve Kennett (Independent Member)
  - Karen Satterford (Co-Opted Member)
  - Danielle Ackerman (Student Co-Opted Member)
  - Dr Susan Rosser (Independent Member - 7 February only)
  - Professor Rachel Cragg (Senior Pro Vice-Chancellor (Education and Digital) – 7 February only)
  - Professor Paul Morgan (Pro Vice-Chancellor (Student Experience) – 7 February only)
- 23.03 The Vice-Chancellor welcomed members and thanked them for giving their time to attend the meeting. Professor Braisby noted that the sector faced considerable pressures and Council's guidance in steering BNU was extremely welcome.

### **Value and Values**

- 23.04 Council received a presentation from Smita Jamdar, Partner and Head of Education at Shakespeare Martineau LLP, on 'Value and Values – Navigating the HE legal and regulatory landscape' which outlined the history of the Office for Students (OfS), recent changes to OfS personnel, and its current strategic focus on quality and standards, equality of opportunity and its enabling measures. It was highlighted that the OfS was now taking a much more active regulatory role through direct investigations into providers' quality and standards. Ms Jamdar also outlined current government Higher Education (HE) policy, the potential impact of the Higher Education Freedom of Speech Bill on providers and students' unions and reflected on the value and values that inform university governance.
- 23.05 Discussion after the presentation focused on the following points:
- the value of continuing to work with the Further Education sector to progress students into HE alongside the request from government that providers work more closely with schools;
  - the OfS's reputation within the sector and its strong statutory powers of intervention and sanction;
  - the mechanisms by which the OfS might be held to account, which was likely to be via legal challenges leading to judicial reviews, although it was noted that the OfS would be part of a post-Brexit government review of quangos;
  - legal cases relating to Freedom of Speech were likely to arise from people who felt they could not express their protected beliefs or where there was, or was a perception of, harassment;

- the forthcoming review by the Office of National Statistics (ONS) to determine if HE providers should be reclassified as part of the public sector, and the importance of providers ensuring that the ONS understood the sector's complexity when making its decision;
  - penalties that could be imposed on providers by the OfS, which could be high both financially and reputationally;
  - the OfS's expectations of governing bodies: governing bodies needed to ensure they identified challenges early on, maintained a focus on the strategic areas important to the OfS and reflected carefully on assurance in order to ensure their focus was not entirely on business items that needed their formal sign-off;
  - the value of staff and students becoming ambassadors and advocates for their institutions;
  - possible changes to the OfS if a Labour government was elected in the future, during which it was noted that providers had to ensure Labour understood the impact of the OfS;
  - the complexity of implementing the new Freedom of Speech Bill for providers and students' unions (SUs) as groups and individuals would be able to take providers and SUs to court if they believed their freedom of speech had been impeded.
- 23.06 Senate Representative Professor Buckwell-Nutt observed that much of what the regulator was requiring of providers ran through BNU's new Thrive 28 strategy.
- 23.07 The Chair thanked Ms Jamdar for an extremely valuable presentation.

### **Sector Updates**

- 23.08 The Vice-Chancellor updated Council on several sector and BNU developments as follows:
- United Kingdom Visas and Immigration (UKVI) had carried out a further inspection of BNU in January. The audit appeared to have gone well, and BNU's legal advisers Penningtons had informed BNU that they felt BNU had demonstrated complete compliance. The University Executive Team (UET) understood that the audit report should be favourable.
  - there was tension within government over international recruitment, allowing international students' dependents to accompany them to the UK and the continuation of the Graduate Route visa;
  - the OfS was in the process of appointing a Director of Freedom of Speech;
  - the Lifelong Learning Entitlement (LLE) Bill to support students who wanted to study on individual modules at any time until they used up their loan entitlement would be highly complex for the sector to implement, but it appeared that it would not re-introduce Student Number Controls at this time;
  - the government's response to the Augar review of HE was due in April or May;
  - the industrial dispute between employers and the trade unions was ongoing: the sector had offered a pay rise of 5-8% which had been rejected and the University and College Union (UCU) had called for 18 days of industrial action in February and March. The Vice-Chancellor commented that it seemed unlikely the employer offer would change as some providers would struggle to pay the proposed 5-8% increase. Senate Representative Ms Mullen commented as President of the local UCU branch that she hoped a settlement could be reached in order to avert a marking and assessment boycott in April;

- there was an ongoing dispute between the OfS and the Quality Assurance Agency (QAA) about the best approach to assessing quality and standards following the QAA's decision to step down as the Designated Quality Body (DQB) for England in 2022. It appeared that the OfS intended to assume the DQB role itself, but had published no concrete proposals about how it would undertake this. In response to a query from the Deputy Chair of Council, the Vice-Chancellor commented that the dispute revealed a deep philosophical divide over the autonomy of providers. The QAA was now a membership body only and it was no longer a requirement for providers to be a member, but there was value in remaining a member.
- 23.09 In response to queries from Council, the University Secretary and Clerk to Council advised she would retain responsibility for UKVI Compliance in the short-term and was still holding a weekly meeting regarding international student attendance. Thirteen members of staff across the University now had responsibility for international students, but BNU also intended to recruit a Head of UKVI Compliance. The Vice-Chancellor also advised that, once recruited, the new Deputy Vice-Chancellor might take responsibility for International Student activity.
- 23.10 Council was further advised that BNU had asked for its remaining Confirmation of Acceptance for Studies (CAS) allocation to be released, but this was not expected before the outcome of the audit was received. Council was also assured that all agents had now received new contracts and BNU was no longer working with MKNCC. It was agreed that a paper outlining BNU's plans to maintain UKVI compliance would be presented at a future Council business meeting.

**Action: University Secretary and Clerk to Council**

### **Alexandra House**

- 23.11 Council considered a presentation on the opportunity for BNU to purchase Alexandra House in High Wycombe (HW) for £2.95m. The Chief Finance Officer highlighted that it was situated on the edge of the HW campus, allowing BNU to infill some of the land lost when BNU sold bits of land previously; would expand BNU's HW footprint; would expand its current student accommodation; could potentially be an option for future redevelopment and improved BNU's accessibility. BNU had signed Heads of Terms giving four weeks exclusivity to BNU to take forward exchange and completion, subject to building survey and due diligence.
- 23.12 Council was very supportive of the proposal given its strategic benefits and the poor state of the HW rental market, but it was agreed that a full business case would be considered by Resources Committee, who would be delegated final approval on behalf of Council. The Chair of Council and Chair of Resources Committee agreed this should be discussed at an extraordinary meeting of Resources Committee.

**Action: Chief Finance Officer; University Secretary and Clerk to Council / University Secretariat**

### **Impact 2022 to Thrive 28**

#### Impact 2022: final review and closure

- 23.13 Council received a presentation reflecting on Impact 2022 and outlining the final status of its Key Performance Indicators (KPIs). The Vice-Chancellor noted that Impact 2022 had been a

turn strategy following a loss of market share and threat of insolvency, but had also set a long-term strategic direction for BNU.

- 23.14 The Director of Strategic Planning and Change outlined the achievements of Impact 2022 which had included growing the core by increasing the number of students registered at BNU to 7,000 Full-Time Equivalency (FTE); the University's rebranding and launch of a new website; remaining above benchmark for student continuation; upgrading BNU's Virtual Learning Environment (VLE); the revision of BNU's degree classification algorithm; the launch of the staff intranet; and the reversal of BNU's financial surplus from -7.8% in 2016 to 8.6% in 2022.
- 23.15 It was noted that the KPI regarding Graduate Employment (GE) had not been achieved, although BNU remained above the OfS benchmark, which was partly due to a gap between BNU's and its partnerships' results on this. It was noted that Apprenticeship learners were excluded from this metric. It was also noted that few BNU students went onto further study, which also impacted BNU's achievement on GE.
- 23.16 In response to a query about Placement Plus, Council was advised that placements and work-based placements had been embedded into the Curriculum23 change programme, which would help all areas achieve better results for Graduate Employment under Thrive 28. The Senate Representative Professor Buckwell-Nutt noted that good practice from placements in health and social care would be embedded across all BNU provision.

#### Thrive 28: KPIs/Goalmap

- 23.17 Council considered a presentation on Thrive 28's objectives, goal map and KPIs. The Vice-Chancellor commented that Thrive 28 continued some of the work of Impact 2022, but BNU was now financially sustainable and had the opportunity to invest more in itself. BNU now needed to not just meet baselines, but clearly exceed them.
- 23.18 Each goal would be assigned to a member of UET or the University Management Group. Each owner would create an annual action plan that would inform reporting on progress towards meeting the goal.
- 23.19 The Thrive 28 KPIs expressed the objectives in quantitative terms and featured absolute targets that had been derived from sector benchmarks, and would be devolved to Schools. Some of the KPIs were intended to be achieved by 2028, some would be achieved sooner and others were to be maintained throughout the strategic period.
- 23.20 Council held a robust discussion of the KPIs and targets, including 84.1% continuation of studies; best in sector for student satisfaction in the National Student Survey; grow core student (registered directly with BNU) numbers to 10,000FTE; develop BNU research, achieve 25% of BNU staff being research active and increase enterprise revenue to £2.5m; achieve 80% staff satisfaction; reduction of Scope 1 and 2 emissions in order to reach Carbon Net Zero by 2030; and increase commercial income to £12m, including student accommodation.
- 23.21 Council agreed that UET needed to be cognizant that the good honours KPI might need further consideration and adjustment. It was recognised that the target was to bring the University into closer alignment with the rest of the sector, and not as a trigger for inflating student grades work. Further work would be needed to ensure that this point was clarified. It was noted that the University's existing work in modifying its degree classification algorithm had received extensive internal consideration and approval from Senate. The revised algorithm should only produce an incremental increase in outcomes, and the

preceding algorithm had not been reviewed for 10 years. The Office for Students recommends algorithms are reviewed at least every 5 years. The Vice-Chancellor and Director of Strategic Planning and Change agreed that further work was needed on this KPI and Council would be updated at its next meeting.

**Action: Vice-Chancellor and Director of Strategic Planning and Change**

- 23.22 Council requested regular reporting at School/subject area levels as well as aggregate level on progress towards the Graduate Outcomes KPI.
- 23.23 It was agreed that the Vice-Chancellor would review Thrive 28 communications to ensure the objectives relating to staff satisfaction and well-being were clearly highlighted.

**Action: Vice-Chancellor**

**School of Health and Social Care Professions**

- 23.24 Council received a presentation from Head of School: Health and Social Care Professions Professor Ric Khine outlining the recent changes to the School (a name change and a restructure around 3 subject clusters), key achievements, student outcomes, NSS results, challenges, planned new provision and his vision for the future of the School.
- 23.25 In response to questions from Council, the Head of School advised that
- the School's risks were managed through engagement with its key stakeholders, such as health trusts, but the risks were also mitigated because training the next generation of Social Workers, Paramedics and other health professionals was always going to be essential;
  - the recent capital funding secured from the OfS had delivered the resources needed to support the School.
- 23.26 The Chair thanked the Head of School for a very informative presentation. Professor Khine extended an invitation to Council members to visit the School in the future.

**Day Two**

**Reflections on previous day's sessions**

- 23.27 The Vice-Chancellor shared his reflections from day one:
- the discussion of Impact 2022 and Thrive 28 had shown that BNU was now at an inflection point where BNU would have much more debate about its choices rather than what it needed to do to address immediate challenges;
  - Council's feedback on Alexandra House was appreciated;
  - the Head of School: Health and Social Care Professions presentation highlighted how BNU wanted to recruit more talent like Professor Khine and needed to identify how to get the best from such talent;
  - there was a possible further inflection point due to the government increasingly regarding providers as 'big schools', as Ms Jamdar had observed during her presentation: this might change how BNU operated;
  - during the period of Thrive 28 there would be at least one new government, and it was unclear what this would mean for the sector.

23.28 The Chair of Council invited members to share their reflections from Day One. Council noted the number of positives and opportunities that Day One had showcased, the sense of optimism surrounding BNU and that BNU was in transition, but also the need to continue to build in resilience to withstand external buffets, maintain a focus on student employability and to support BNU staff.

### **Business and Management Review: Initial report from the OfS Review Visit of 6-7 February 2023**

23.29 See Reserved Minutes.

### **HE Sector Financial Shape and Size**

23.30 Council considered a presentation from the Chief Finance Officer (CFO) outlining the financial size and shape of BNU at University, School and Directorate level, its contributions and costs in comparison to the sector. The subsequent discussion focused upon the following points:

- why tuition fee income was £(2.0)m Year on Year – the CFO advised this was because there had been a shortfall of continuing students and February 2023 recruitment had fallen. BNU had been able to offset this in the current financial year, but Resources Committee had also been discussing these challenges;
- the planning round would consider the specific needs of each School and Directorate, and there was the ability to give Directorates more funding if a need was identified;
- the need to carefully co-ordinate growing core students and reducing partner student numbers to avoid negatively impacting income;
- BNU reported on gross income rather than net in its financial statements because BNU is properly understood to be a principal and not an agent in respect of partnership students; this accounting change revealed how sizeable an institution BNU had become, reflecting the scale and complexity of its business activity;
- BNU's liquidity was strong but the surplus was not about retaining cash: it was about being able to reinvest in the University's future, presenting a number of exciting opportunities;
- it would be helpful to further partition the data into Home and International (Overseas) Students in the future.

23.31 The Chair observed a shortened version of the presentation could be helpful at future Council away days.

### **Risk: Appetite and Process discussion and workshop**

23.32 The Chair welcomed Dean Gibbs and Philip Kent from KPMG, who facilitated a workshop on Council's risk appetite. Council members were asked to score their risk appetite for the objectives under each pillar of Thrive28 on a scale from no risk (0) to significant (5). Feedback from the workshop was as follows:

#### Pillar 1: Supporting Students to Succeed

- Council noted some financial and regulatory compliance could impact BNU's well-being strategy
- BNU had already taken some high-risk actions through the Big Deal and Curriculum23, while ensuring risk controls were built into such initiatives which reduced the risk
- there was a need to balance risk on student accommodation
- there was a high-risk appetite for LLE as it was new and offered BNU an opportunity to be in the vanguard
- risk appetite for health and well-being was low: it was right to continue to support students.

### Pillar 2: Delivering Knowledge and Skills

- there was a high-risk appetite for developing BNU research and achieving Research Degree Awarding Powers as it would bring significant institutional gains
- Council was in general risk averse on curriculum as this impacts all learners, the example of significant change being Curriculum23 which was developed with significant controls in place
- there was a medium risk appetite for new qualifications such as Higher Technical Qualifications
- there was a high-risk appetite for Missenden Abbey and the new International Hotel School and other subject developments

### Pillar 3: Fit and Agile Organisation

- Council was risk-seeking on international recruitment, Missenden Abbey, sustainability and the HW Estates Development, while also agreeing this did not mean risk would not be considered or managed effectively. It was possible to be aspirational while acknowledging risk.

### Pillar 4: Supporting our Places and Partners

- Council was risk-seeking on public confidence: BNU could undertake innovative work with schools and colleges and launch a public lecture series
- Council was risk-seeking on engagement with employers and Apprenticeship provision
- Council acknowledged the need to be cautious in losing partners, but wondered if BNU could take riskier actions to take over partners or challenge them for their market share.

23.33 A key theme emerging from discussions noted by KPMG was that Council wanted to take risks and BNU to grow, but capacity and resources were an issue. KPMG observed that BNU was in a position to do more, but would need to prioritise.

23.34 KPMG advised that the discussion indicated Council's risk appetite was Open (3) – Seek (4) for most of Thrive 28's objectives and asked Council to consider BNU's current Strategic Risk Register (SRR) in that context. Ideally BNU would set its objectives, set its risk appetites, set a delivery plan and then set risks levels for that plan. KPMG recommended that BNU showed more visibly in the SRR where BNU wanted each risk score to sit on the spectrum and how far outside and within that risk score BNU was for each objective. It was



noted that this would enable BNU to take corrective action for a risk score that was below the risk appetite and would enable BNU to track progress on Thrive 28 objectives. It would highlight the risks that BNU was far from mitigating where urgent action was needed.

- 23.35 Following discussion, Council agreed that there was a need to rethink and re-set the SRR. It was agreed that the University would propose the new risk scores and a re-formatted SRR for Audit Committee to consider.

**Action: Director of Strategic Planning and Change / UET**

**Sustainability Strategy**

- 23.36 Council received a presentation on BNU's sustainability strategy from the Head of Sustainability outlining BNU's sustainability mission and vision, commitments, and key strategic areas where action would be taken.
- 23.37 In response to queries from Council, the Head of Sustainability informed Council that
- a significant part of the strategy involved changing BNU's pedagogy and ensuring BNU students graduated knowing how their programmes could help them make an impact on sustainability;
  - in 4-5 years, Mr Edge wanted to be able to show major changes and improvements to BNU's curriculum and campuses: all programmes should have at least one module about, or which discussed, sustainability. He was also developing quantitative measures;
  - it was vital to raise awareness amongst staff and students about sustainability, what it meant and what it required. This was being done currently through a session at the BNU Induction for new staff but some mandatory sustainability training for staff was being developed;
  - the Thrive 28 KPI to reduce Scope 1 and 2 emissions was realistic and achievable, but there would be a need to balance capital and operational costs, and it would have to be done unobtrusively and whilst minimising disruption to campus operations.
- 23.38 Council agreed there could be value in establishing Sustainability Champions, staff development to embed sustainability into programmes (although it was noted that Curriculum23's Opportunity Modules would allow learners to consider sustainability very soon), celebratory stories on BEN about BNU's sustainability achievements; and in creating a short presentation on sustainability that could be used immediately as a teaching tool.
- 23.39 The Vice-Chancellor observed that BNU's decision-making would have to alter to embed sustainability. The Head of Sustainability noted considering sustainability could be embedded into capital bids and planning. The Chair of Council commented that Council would also need to include sustainability in its decision-making.

**Reflections on Day 2**

- 23.40 The Vice-Chancellor thanked Council for its very useful contributions which had given UET much to consider.
- 23.41 The Chair of Council asked for feedback on the meeting. Council agreed that the meeting had been very informative and would aid its decision-making. It would welcome more workshop sessions in future strategic / away day meetings, more opportunities for input and more reviews of how BNU was progressing financially, strategically and compared to its closest competitors. Council agreed that the lunchtime-lunchtime structure worked.

- 23.42 Independent Member Ms Kirkman observed it could be helpful to invite one further Council member alongside the Chair into the early planning stages of the meeting in future.
- 23.43 The Chair thanked members for their contributions and the University Secretary and Minute Secretary for organising the meeting.