

## **COURT OF GOVERNORS**

### **Minutes**

Minutes of the meeting held on Monday 26 March 2018 at 4.15pm in Room 3.02, 272 High Holborn, London WC1V 7EY

<b>Present:</b>	Sir John Sorrell CBE (Chairman)	Scott Mead
	Lorraine Baldry OBE	Louise Moore
	Aisha Cahn	Professor Susan Orr
	Nigel Carrington	Diana Osagie
	Es Devlin OBE	Matthew Phull
	Terry Finnigan	Sim Scavazza
	David Fison	Nicolai Tangen
	Andrew Hochhauser QC	Sir Eric Thomas
	Hansika Jethnani	Alison Woodhams
	David Lindsell	Baroness Lola Young OBE

**In attendance:** Professor Frances Corner OBE (PVC Digital & Head of LCF)  
Steve Howe (Director of Estates – item 5 only)  
Martin James (Director of Finance)  
Stephen Marshall (University Secretary and Registrar and Clerk to the Court of Governors)  
Naina Patel (Director of HR)  
Gary Sprules (Director of Planning – item 9 only)  
Professor Jeremy Till (PVC, Research & Head of CSM)  
Zioge Smith (Deputy University Secretary)  
Professor David Crow (PVC Student Experience & Head of CCW)

**Apologies:** Kyran Joughin  
Harry Gaskell  
Jane Slinn  
Ben Terrett

## 1. ANNOUNCEMENTS, NOTIFICATION OF URGENT BUSINESS AND DECLARATIONS OF INTEREST

1.1 Apologies from governors were received as set out above. The Court noted declarations as below:

- (i) That, in relation to item 5 (Estates Matters Update), Andrew Hochhauser QC and Sir John Sorrell were trustees of the V&A. It was agreed that they would be part of the discussion of that item.

## 2. MINUTES OF THE MEETING HELD ON 20 NOVEMBER 2017 and 6 FEBRUARY 2018

**AGREED:** That the minutes of the meetings of the Court of Governors held on 20 November 2017 and 6 February 2018 be approved as a true and correct record.

### **Matter arising –**

The Vice Chancellor updated Court on the report they received at the last Court meeting on a proposed major donation.

## 3. COURT MEMBERSHIP AND COMPLIANCE MATTERS

*[part redacted]*

### 3.1 Governance Effectiveness Review

3.1.1 The Chairman thanked the Deputy Chairman for the huge amount of work he had done on the effectiveness review that had been carried out in June 2017. The Governance Effectiveness Review report had been discussed by the Chairman's Committee and recommendations from the Committee had been circulated to Court along with a memo from the Deputy Chairman where he had asked for comments on the recommendations.

3.1.2 The Deputy Chairman reminded governors that the Effectiveness Review report concluded that the University "continues to have in place a comprehensive framework and structure of governance conforming to their requirements of the Higher Education Code of Governance and sector best practice". He pointed out that governors were invited to respond to the report by email and that some but not all governors responded. There was scope for debate on the detail of the 20 recommendations contained within the report; notwithstanding, the Deputy Chairman had selected what were the most potent recommendations in the report.

3.1.3 **Size of Court** – *the Chairman's Committee proposed that the number of governors be reduced from 25 to 17 (from 19 to 12 external governors and from 4 to 3 staff governors).* The majority of governors agreed with this recommendation. One governor commented that the same recommendation had been made in the last effectiveness review and could not be ignored. Another governor stressed the need to have the right skillset and contribution with fewer governors and highlighted the need for disability, not just race and gender to be represented within the Board. The Deputy Chairman responded that this

had been taken into consideration and that a skills audit will be carried out within the context of a smaller Board.

- 3.1.4 A governor expressed concern about the recommendation that Academic Board nominated staff should be reduced from two to one. The Deputy Chairman responded that, given the proposed macro level reduction by 40% of external governors, it was reasonable to rebalance the academic representation on the board. Some other governors concurred with the view that the nominated Academic staff member should not be restricted to Deans only and one governor disagreed with the recommendation to reduce the number of academic staff. One governor suggested that a skills matrix could help to narrow down where the academic representation should come from.
- 3.1.5 There was general recognition that the responsibilities of individual members of a smaller board would increase.
- 3.1.6 **Executive Board members' attendance at Court** – *the Chairman's Committee did not accept David Fletcher's recommendation that attendance at all meetings should be confined to the two DVCs, Director of Finance and the Clerk.* The majority of governors agreed with the Chairman's Committee's view. One governor was unsupportive of all Executive Board members in attendance at Court meetings. The Vice-Chancellor commented that Court meetings would be less enriched without the Executive Board; governors would be deprived of their knowledge and EB members would not benefit from the views of Court.
- 3.1.7 **Timing, location and structure of Court meetings**  
Governors had a robust discussion about the structure of the Court meetings. There was general agreement about meetings taking place at the various colleges to enable deeper understanding of the colleges. One governor commented that either of the start-time options set out by the Chairman's Committee would mean too long a day which many would not be able to give up. Another governor agreed, saying that the arrangement would work better with retired people. An option that was discussed was the possibility of keeping Court meetings as they were, separate from the sandwich lunches, but with better attendance at the lunches.
- 3.1.8 Some concern was expressed about the recommendation to discontinue the college sandwich lunches and the governor link scheme, some felt that the links in particular were useful. Another governor commented that the lunches should be separate from court business. It was also suggested that perhaps a cocktail of the different options could be tried for the next year.
- 3.1.9 Although there was general agreement that meetings should take place in the colleges, there were no definite conclusions on this recommendation. It was noted that one governor asked that serious consideration should be given to the formation of a student experience committee.

- AGREED:**
- (i) That the number of governors should be reduced from 25 to 17 (from 19 to 12 external governors and from 4 to 3 staff governors) over the next 18 – 24 months;
  - (ii) That all Executive Board members should be in attendance at all Court meetings;
  - (iii) That sandwich lunches should be called ‘College briefings’;
  - (iv) Two year diaries, instead of one, should be drawn up to enable forward planning;
  - (v) That the University Secretary and Registrar would write a report for the next meeting.

### **3.2. Chairman’s Search Committee Update**

The Deputy Chairman updated the Court on progress to date on the search for a new Chair of the Court. The Court noted that the appointed Executive Search Agency had reached the end of the initial stage i.e. identification of possible candidates and a meeting of the Search Committee was scheduled to discuss the long list.

## **4. VICE-CHANCELLOR’S REPORT**

*[part redacted]*

- 4.1 The report was taken as read. The Vice-Chancellor drew attention to particular areas as set out below.

*The external political and regulatory environment*

- 4.2 The Court noted that the government had now established its Review of post-18 tertiary education funding in England which had a wide remit (including access and skills), but had to date received most media attention for its focus on “value for money” and whether or not the Home/EU undergraduate fee should be reduced from its current maximum rate of £9,250. The Government was also exploring the possibility of differential fees by subject, a territory that would be risky to UAL given the recently published Longitudinal Earnings Outcomes data (LEO) which matched graduates’ earnings from employment with their student grants data by course and University. LEO placed creative arts and design (80% of UAL’s provision) as 23rd out of 23 subjects in terms of earnings outcomes.
- 4.3 It was also noted in addition to the above, there was a general concern that overall Government funding for student HE loans might be capped as the Review placed a new focus on further education, degree apprenticeships and the possibility of two year accelerated degrees as an alternative to the conventional three year undergraduate course.
- 4.4 The Vice-Chancellor reported that the Higher Education Funding Council for England (HEFCE), would be replaced by The Office for Students (OfS) on 1 April 2018. OfS was positioning itself as “outcomes focused” in assessing the success of universities. This new approach to regulation, coupled with the Funding Review, would be a major challenge for UAL given previous performance in the NSS and the low mean earnings

data for its subjects. The new Academic Strategy, which was discussed at the Court Away Day, was designed to address all of these issues.

- 4.5 The Court noted that UAL now had a much stronger lobbying profile amongst politicians and others involved in education. It would be intensifying its activity across the political spectrum to try to ensure that creative subjects and the creative industries were better understood as drivers of future prosperity and that no assessment of university performance could be based solely on metrics.

*Recruitment*

- 4.6 The Vice-Chancellor reported that Home/EU applications at Foundation and Undergraduate level for 2018/19 remained strong but were not helped by the rapidly changing range of numbers within the Home/EU student categories.

- 4.7 A governor enquired about a plan of action to future-proof the UAL offer in the increasing move to online courses. The VC responded that this had been explored and that UAL brand value was about students physically being taught courses. The Hong Kong University courses were delivered in part online and in part by sending UAL staff over to Hong Kong to deliver the courses. It was suggested that this could be discussed as an agenda item at some point.

*Estates Projects*

- 4.8 Some governors attended the official launch of the new Camberwell campus, hosted by Grayson Perry. There was general consensus that the building had transformed Camberwell's facilities, community consensus and longer term prospects.

*Other issues*

- 4.9 The Vice-Chancellor explained that the University was not complacent about the gender pay gap. UAL's overall gender pay gap was 5.6% and was substantially affected by the fact that the University employed high numbers of students through its ArtsTemps service. Without the ArtsTemps statistics, the overall pay gap would be 2.1%. The University was reviewing the detailed data to assess how the remaining gap could be eliminated.

**AGREED:** To note the contents of the Vice-Chancellor's report.

**5. ESTATES MATTERS UPDATE**

*[part redacted]*

- 5.1 The Director of Estates presented this report. The Court noted that the LCF development was progressing well and all the founding partners had secured the required delegated authority to sign their Agreements for Lease.
- 5.2 The Court noted that the Southwark Council Planning Committee for the Elephant and Castle had been further deferred to early June. Delancey and UAL were still engaging in active dialogue with local Ward councillors and other local parties. The significant delays meant that completion would be delayed to 2024, even if

planning permission was granted. The Court noted that it would be a serious setback to the University's plans for LCC if permission was not granted.

- 5.3 The Director of Estates also updated governors on steps taken by the Estates department to deliver on the objectives of the Modern Slavery Act 2015. Court noted that LLDC had given assurances that they complied with principles contained within the MSA for the Stratford (LCF) project.

- AGREED:**
- (i) To note progress made and milestones met in respect of legal and commercial agreements for the Stratford Waterfront Development;
  - (ii) To note delays to the Elephant and Castle development due to an ongoing planning deferral;
  - (iii) To note actions and initiatives undertaken by the Estates team in compliance with the Modern Slavery Act.

## **6. REVISION OF THE 2017-18 BUDGET**

*[part redacted]*

- 6.1 The Director of Finance presented this report by summarising the proposed changes to budget allocations which are within the broad parameters of the original budget approved by the Court of Governors last summer and were consistent with the University's 2015-22 Strategy.
- 6.2 The Court noted that the proposed revised budget showed that total income was expected to be above the original budget largely as a result of UAL successfully exceeding its budgeted income targets for home/EU and international students.
- 6.3 It was also noted that the University incrementally diversified its overall risk by developing two major income streams – home tuition fees and overseas income and would diversify risk further via developing a third stream of academic enterprise income.
- 6.4 The proposed amendments had been endorsed by the University's Executive Board and the Finance Committee.

- AGREED:** To concur with the recommendation of the Finance Committee that the revised budget for 2017-18 be approved.

## **7. HEALTH AND SAFETY REPORT**

### **Matter arising - Staff engagement survey update (November Court Minute 14)**

*[part redacted]*

- 7.1 Governors had asked for an update on actions around bullying, concerns raised by disabled staff and on addressing sexual harassment. The Director of Human Resources advised governors that the staff survey continued to be unpacked and that work was being done to address concerns about bullying. Governors noted that that the turnaround time for reasonable workplace adjustments for disabled

staff was now shorter and that the post of Disability Advisor within HR was now permanent. Court also noted that there was a communications plan about what was being done in response to the staff survey.

7.2 The Director of Human Resources reported on allegations of sexual harassment that had been received by the University and the outcomes of the investigations. She added that the Students' Union was working with the University on the 'Tell Someone' campaign. Furthermore, the Dignity at Work policy had been published and a policy addressing protocols around relationships in the workplace was being developed. Historic cases were also being reviewed.

7.3 The Director of Human Resources presented the Health & Safety annual report which provided an update on the key issues which affected health and safety management across the University in 2016-17. The Court noted that a review of health & safety leadership and management was conducted in 2017 which resulted in a number of recommendations. There was some work to be done in further embedding health and safety within the university and there was also a focus on mental health awareness. A new Health & Safety Director had recently been appointed.

7.4 A governor asked for further details of the health and safety review. The Director of Human Resources responded that a more detailed report had been discussed at the People Strategy Committee and that the full report would be circulated to governors.

- AGREED:**
- (i) To note actions taken by the University around bullying and sexual harassment.
  - (ii) To note the Health and Safety annual report.
  - (iii) That the full report including comments about the health & safety review would be circulated to Court.

## **8. STUDENT GOVERNOR REPORT**

8.1 The Student Governor presented her report which provided an update on the Student Union's activities and achievements to date. She highlighted work done as part of the 'Fix the Fees' campaign. A governor asked about the types of queries that had been received by the Student Union's Advice Service. Although all the details of the queries were not immediately available, it was noted that most of them were academic in nature and in particular with regard to progression and assessments.

8.2 Governors noted that the Student Union had been quite supportive to the Teaching & Learning Exchange and that there was now more focus on the student's role in the Academic Enhancement Model (AEM).

- AGREED:**
- (i) To receive the Student Governor report.
  - (ii) That the SU Strategy would be circulated to governors.

## 9. UNIVERSITY STRATEGY AND RELATED KPIS

*[part redacted]*

- 9.1 The Director of Planning presented this report which provided an update on progress in delivering the University's strategic plan for 2015-2022. He reminded the Court that a number of internal strategies had been developed or updated in line with the University's strategy.
- 9.2 Governors noted that the University's Annual Operating Plans were fully aligned to the Strategy, with a range of operational activities identified which were overarching to the delivery of the strategy. These were Student Recruitment, SITS Student Records System, International Strategy, Brexit and Equality, and Diversity & Inclusion.
- 9.3 A governor commented on the use of metrics and that some work could be done on future gazing and 'TEF-proofing' certain KPIs.
- 9.4 A governor enquired about international student targets in relation to the geographical diversity of the student body. This issue would be addressed as part of a wider UAL marketing strategy. Emerging markets were discussed.

**NOTED:** (i) The activities completed and in progress against the University's four key strategic areas.

## 10. MINUTES OF COMMITTEES

**AGREED:** (i) To receive the minutes of and endorse the recommendations from the following committees:

- a. UAL Ventures Ltd – 15 November 2017
- b. UAL Short Courses Ltd – 15 November 2017
- c. London Arts Property Ltd (LAPL) – 15 November 2017
- d. Conferments\* (Virtual meeting) – 14 December 2017
- e. Chairman's Search Committee – 12 January 2018
- f. Combined Estates & Finance Committees (Virtual meeting)\* – 15 January 2018
- g. Chairman's Committee – 9 November 2017 & 16 January 2018
- h. Audit Committee\* – 17 January 2018

*\*The Court of Governors is asked to: note the top nine risks as set out in the minute annex.*

- i. Special meeting of Estates Committee – 29 January 2018
- j. Estates Committee\* - 26 February 2018
- k. Finance Committee\* – 26 February 2018
- l. People Strategy Committee\* – 28 February 2018
- m. Academic Board – 21 November 2017

**11. ANY OTHER BUSINESS**

**11.1. HEFCE Prevent Duty Annual Reporting – Monitoring Outcome Letter**

11.1.1 The University Secretary and Registrar reported on HEFCE’s opinion on the University’s Prevent Annual Report, which was presented to Court in November 2017.

11.1.2 The Court noted the outcome of the assessment which was that the University had demonstrated sufficient evidence of due regard to the Prevent duty. HEFCE had requested that a progress report be submitted to them before the end of the academic year regarding the University’s development of an information sharing protocol under safeguarding.

**NOTED:** HEFCE’s monitoring outcome on the University’s Prevent duty annual report.

**11.2 Date and time of next meeting**

**NOTED:** That the next ordinary meeting of the Court of Governors would take place on **Monday 1<sup>st</sup> October 2018 at 4.15pm**. The location for the meeting was to be confirmed.

The meeting concluded at 6.35pm.

**Signed as a true and correct record**

**Date**

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**CHAIRMAN**

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