1 **DR RUTH THOMPSON**  
Noted  
1.1 Governors formally noted their condolences on the passing of Dr Ruth Thompson. Dr Thompson was appointed to the Birkbeck Governing Body in 2009 following a distinguished career in the civil service. She had a passion for Higher Education and Birkbeck in particular. Governors expressed their gratitude for the legacy that Dr Thompson had left to the College.

2 **THE BIRKBECK STUDENT EXPERIENCE**  
Noted  
2.1 Governors heard a presentation on the Birkbeck student experience, delivered by the Academic Registrar. The presentation covered the demographics of the student body, the facility and service needs of students and National Student Survey (NSS) feedback.

2.2 There are currently approximately 13,000 students enrolled at Birkbeck, the majority (70%) of whom study on a part-time basis. Just under half (49%) are in full-time employment. Birkbeck students come from a range of living situations with different personal and professional priorities which they juggle with their Birkbeck commitments.

2.3 Prospective students will spend up to two years considering their study options before deciding on Birkbeck. Since the raising of tuition fees in 2012 the College has improved student services and facilities in order to meet the rising expectations of students. Counselling services have been expanded in order to address the needs of the rising number of students with mental health issues. The College has also
expanded its careers service, which this year saw over 80,000 interactions with students; with half of Birkbeck students studying for the purposes of career development this is a key student support service.

2.4 The introduction of the Teaching Excellence Framework (TEF) exercise has increased the importance of optimising performance in the NSS. The College achieved an 87% overall student satisfaction rating in the most recent NSS, comparing favourably with the sector average of 86%. However, while ratings for teaching are high, ratings for assessment and feedback and academic support are lower than average. Work to address the issues identified by the NSS is ongoing.

2.5 Governors asked for work on improving the student experience of academic support to be prioritised within the College. It was noted that whilst this may include allocating extra funding, the first step should be to establish an overall sound strategic approach.

3 DECLARATION OF INTERESTS
Noted
3.1 Governors were asked to disclose in advance any actual or potential conflicts of interest in relation to the matters under discussion. No such conflicts were noted.

4 MINUTES
Confirmed
4.1 The minutes of the meeting of 30 June 2016.

5 INSTITUTE FOR CRIMINAL POLICY RESEARCH
Noted
5.1 The paperwork for absorbing the ICPR into the legal and governance structures of the College will be finalised in the coming weeks.

6 MASTER’S REPORT
Noted
6.1 Student recruitment for 2016-17 has been good, with a large increase in enrolments to postgraduate taught programmes following the introduction of postgraduate student loans.

6.2 This is partly due to successful political lobbying on behalf of the College. In response to the case made for mature students, the government raised the upper age limit for postgraduate loans from 30 to 60.

6.3 The College is approaching a major decision point in its Estates strategy. Options for major investment in the estate have been identified, and these will be explored further at the Governors’ Strategic Horizons Awayday in February.

7 HIGHER EDUCATION POLICY
Received
7.1 An update from the Policy Advisor on Higher Education policy (G 2016 01)

Noted
7.2 Since the last meeting there have been several important developments in government policy with direct implications for Higher Education.
The recent autumn statement outlined the sale of the student loans book and outlined an increase in funding for science, possibly to offset any issues with EU research funding following the Brexit vote.

Although much of the detail of the impact of Brexit is still unclear, it has been confirmed that EU students will have access to fee loans in 2017/18, enabling their fees to be confirmed as the same level as home students. It is likely that fee levels for subsequent years, and any restrictions to international students, will be confirmed on a rolling basis as Brexit negotiations move forward.

Governors were assured that positive and welcoming messages are being sent to prospective EU and overseas students. It was noted that many Birkbeck EU students are already living and working in the UK rather than moving to the UK specifically to study. Any residency restrictions arising out of Brexit negotiations will have long term implications for the College’s EU student recruitment.

The Higher Education and Research Bill is currently going through Parliament. If passed, the main outcomes will be the creation of an Office for Students and the merging of research councils into a single body UK Research and Innovation (UKRI).

The HERB will be debated in the House of Lords, where the College’s President Baroness Bakewell will speak about its implications for part time students.

Several new student loans are being introduced, including maintenance loans for part time study and doctoral loans to come in from 2018/19.

The Government has released a green paper on schools, which includes proposals on the role of universities in interacting with schools. Birkbeck has more meaningful partnerships with further education colleges, so will be lobbying for promotion of university interaction with FE Colleges as well as Schools.

A levy will be introduced on medium and large employers from April 2017, to fund the development of apprenticeship schemes. In response Birkbeck will be offering two degree apprenticeships and one higher apprenticeship.

AUDIT COMMITTEE
Approved

The annual report of the Audit Committee 2015-16 enclosing the Internal Auditor’s annual report, which will be forwarded to HEFCE (G 2016 02)

Governors were satisfied with the Audit Committee’s opinion that Birkbeck’s systems for risk management, control and governance; promotion of economy, efficiency and effectiveness (value for money); and management of the quality assurance of data provided to external bodies, are adequate and effective.

Over the year the internal audit programme focused on compliance with UKVI international student and staff visa requirements. The auditors made recommendations to improve guidance and ensure that adequate records are being maintained. These have been implemented.
8.4 Audit Committee will continue to pay attention to the management of ongoing IT security risks within the College, particularly as the Schools of BEI and Science run their own systems independently of the College system.

8.5 Audit Committee was pleased to report the external auditor’s confirmation that the financial statements for 2015-16 give a true and fair account of the College’s finances and have been properly prepared in accordance with accounting practice; and that funds have been used for the purposes for which they were received and according to College statutes and HEFCE’s financial memorandum.

8.6 The Committee has overseen management of the risks and concerns regarding the Student’s Union. The SU has accepted recommendations made during a National Union of Students-led review and is being supported by the College as it makes necessary changes.

8.7 Audit Committee will continue to monitor uptake of staff appraisal, including Progress and Development Review and Academic Review. Its view is that there should be full participation by staff in these schemes.

9 FINANCIAL STATEMENTS
Approved
9.1 The financial statements for the year ending 31 July 2016 (G 2016 03)

Agreed
9.2 To authorise the Chair of Governors to sign the letter of representation to the external auditor (G 2016 04)

10 ESTATES STRATEGY
Received
10.1 An update on the College’s Estates Strategy (G 2016 05)

Noted
10.2 The Estates Strategy builds on the findings of the 2012 Master Plan in which development opportunities on the Bloomsbury site were identified. Each of the identified options was evaluated against fit with objectives, finance and risk.

10.3 Discussion at Estates Committee and Finance and General Purposes Committee identified a preference for Option 3 as set out in the paper. Along with Cambridge House and 32/33 Torrington Square, this option includes development of the Council Room Infill Site and redevelopment of the Malet Street Extension. This option would address circa 85% of the current estimated space deficit.

10.4 Option 3 sets out two potential outcomes for Cambridge House: a major rebuild to up to nine floors and a smaller development. The outcome will depend on Camden’s planning permission decisions and a full assessment of the financial impact of each option.

10.5 As previously reported via Estates committee, the Extension building has reached the end of its life and its facilities and services are in need of updating. There are significant risks to the building’s infrastructure over the medium to long term.
10.6 It is estimated that Option 3 would cost in the region of £130M to complete over a period of 6-8 years. The College’s current cash holding is £57M.

10.7 The next step is to confirm the preferred option and the sequencing of projects, so that a model can be developed of the impact of the development on College finances and the additional resources required. This will be explored at the Awayday.

10.8 Governors endorsed the broad direction of the estates strategy and support for option 3 as outlined in the document, subject to further discussion at the Awayday.

11 PREVENT
Received
11.1 An annual report on work to ensure compliance with the Prevent duty to prevent people from being drawn into terrorism (G 2016 06)

Noted
11.2 The report will be submitted to HEFCE, which is responsible for monitoring Prevent compliance in universities. The report provides confirmation from the governing body that the policies and procedures necessary for legal compliance are in place, and that there have been no significant incidents during the reporting period.

Agreed
11.3 To authorise the Chair of Governors to sign the Prevent report.

12 UNCONSCIOUS BIAS
Received
12.1 A briefing on unconscious bias training for Governors (G 2016 07).

Noted
12.2 The unconscious bias training initiative has come out of the College’s Strategic Equalities Review and in support of the application for an Athena Swan award.

Agreed
12.3 The recommendation for Governors to undertake unconscious bias training.

13 KEY PERFORMANCE INDICATORS
Received
13.1 An update from the Deputy Secretary (Governance) on Key Performance Indicators (KPIs) (G 2016 08)

Noted
13.2 The KPIs identify targets and monitor progress against key College objectives. Following discussion at previous meetings, the list has been rationalised and a dashboard report created. This will be updated for Governors annually.

13.3 A broad student recruitment objective has been identified, to have an overall student body of 10,000 FTE in order to maintain sustainability and resource for development.
13.4 The KPIs use the same indicators as the TEF for student retention, feedback and outcomes. These highlight the need already noted by Governors to prioritise improvements in academic support and assessment.

13.5 There are newly defined indicators for research, developed with the Research Strategy Group. These indicators are tentative at the moment and there will be further work to identify benchmarks against similar HE institutions.

14 FINANCE AND GENERAL PURPOSES COMMITTEE
Received
14.1 The report of the Finance and General Purposes Committee (G 2016 09)
Noted
14.2 F&GPC considered the financial out-turn for 2015-16. The Total Comprehensive Income (surplus) for the year was £14M.
14.3 A new accounting standard, FRS 102, has been adopted by the HE sector from the accounting period 2015-16 onwards. This will bring the sector in line with international accounting standards. It aims to prevent institutions from artificially smoothing out fluctuations in financial performance, but arguably introduces volatility which might not reflect the actual state of institutions’ finances. For instance, Birkbeck’s Total Comprehensive Income for 2015-16 is much higher than the previous year because it includes the sale of 7 Bedford Square, a one-off event unrelated to income generation performance.
14.4 F&GPC considered a report on the budget for 2016-17. The forecast surplus is currently £4.2M, assuming that the contingency provision is not used. Governors confirmed F&GPC’s opinion that the College is solvent for the foreseeable future.
14.5 Student recruitment levels are good, with a significant increase in recruitment to Masters programmes. Fee income for the year is expected to be above target.
14.6 Governors heard that the Investment Committee is pursuing a strategy of seeking optimal investment rates, also considering the volatility risk of investing too much in equities and the need to ensure sufficient liquid assets are accessible when needed.
14.7 F&GPC reported on recent internal reviews, including Law and Economics, Mathematics and Statistics. The recommendations and outcomes are reported regularly to Strategic Planning Committee. It was reported that this approach is working well, with successful changes being made.
14.8 The College has reached an agreement with the University subject to contract for the premiums of a 99 year lease for 32 and 33 Torrington Square: £1.28M for 32 and £437K for 33. Tender exercises for the design team have been completed. The scope of the work will include both the refurbishment of the house at 32 and the new build elements of the vacant 33 site.
14.9 Governors considered an updated draft of the People Strategy 2017-2023. The document is not yet in its final version and more content will be added. F&GPC commended the HR team on the development of the strategy and Governors endorsed the approach being taken in the development of the document.
14.10  F&GPC recommended changes to its terms of reference, made to recognise the committee’s role in overseeing the development of financial strategy.

**Approved**

14.11  Governors approved the updated F&GPC Terms of Reference.

### 15 AUDIT COMMITTEE

**Received**

15.1  The report of the Audit Committee *(G 2016 10)*

**Noted**

15.2  Audit Committee considered a report on the accountability returns that HE institutions are required to make to HEFCE. The range of these returns has expanded steadily and now extends to financial, audit and risk matters, academic quality and standards, charity compliance and value for money, and a separate return on the Prevent duty (see section 11).

15.3  While Audit Committee was satisfied with the report, it noted its view that neither it nor the College Governors are competent to assess compliance with Prevent or academic quality and standards, and that it is unreasonable for HEFCE to expect governing bodies to provide assurance in these areas.

**Approved**

15.4  Audit Committee’s recommendation that the annual assurance return can be signed off and returned with the annual accountability return to HEFCE.

15.5  Audit Committee’s recommendation that the Governors are offered further briefing on the Prevent duty, along with the briefing on unconscious bias, to support fulfilment of its responsibilities relating to equality and diversity.

**Noted**

15.6  Audit Committee considered internal audit reports on student examination and assessment; student retention and progression, and the new HR, Payroll and Finance system. The internal auditor reported satisfaction in these areas and will continue to monitor the implementation of the new HR, Payroll and Finance system.

15.7  The Committee received and was satisfied with its termly report from the internal auditor on the implementation of previous recommendations. It will continue to monitor implementation.

15.8  Audit Committee forwarded an update on the College’s management of risks. The top risk remains inability to maintain financial sustainability and secure sufficient tuition fee income. As has been the pattern in recent years, the short term outlook is positive with successful student recruitment, and the longer term less certain given Government policy and market change.

15.9  Audit Committee considered a report on debt management, and was pleased to note that improvements in processes are having a positive impact on debt collection. Debt as a percentage of income for 2015-16 has fallen by 0.6% in relation to 2014-15 despite a rise in income of £3.1M.
16  **ACADEMIC BOARD**

**Received**

16.1  The report of the Academic Board *(G 2016 11)*

**Noted**

16.2  Academic Board endorsed Research Committee’s recommendation to sign up to the UK Scholarly Communications Licence (SCL). The UK SCL seeks to remove many of the copyright issues associated with publishing research outputs and simplify the publication process for academic and library staff.

16.3  Academic Board warmly endorsed a proposal to confer Emeritus titles on Professor Sue Jackson and Professor Joni Lovenduski. Both have held key roles in the College. Sue Jackson was the Pro Vice Master for Lifelong Learning and Joni Lovenduski was the Dean of the Politics department.

**Approved**

16.4  Conferment of Emeritus titles for Professor Sue Jackson and Professor Joni Lovenduski.

17  **STATEMENT OF PRIMARY RESPONSIBILITIES**

**Noted**

17.1  The statement of Governors’ primary responsibilities, and reserved and delegated responsibilities, is available on the committees website from [this link](#).

18  **SEALING OF DOCUMENTS**

**Noted**

18.1  No documents have been sealed since the last meeting of the Governors.

19  **MEMBERSHIP OF THE GOVERNING BODY**

**Received**

19.1  The membership of the Governing body for 2016-17 *(G 2016 13)*

**Noted**

19.2  Dr Jennifer Fraser, Staff Governor, was leaving the College and therefore stepping down as a Governor. Governors thanked her for her service and contributions.

20  **DATES OF THE NEXT MEETING**

**Noted**

20.1  The dates of the next meeting of the Governing Body:

- Wednesday 8 February for the annual Strategic Horizons Awayday
- Thursday 23 March 2017, at 4.30pm
- Thursday 6th July 2017, at 4.30pm followed by the annual Governors’ Dinner from 7pm