Minutes of the meeting of the GOVERNORS

19 March 2014

Present
Mr Harvey McGrath (Chair), Mr Richard Abbott, Mr Robert Allison, Mr Charles-Michael Berry, Ms Julia Collins, Professor Philip Dewe, Mr Hugh Ferrand, Dr Rebecca Gumbrell-McCormick, Professor Matthew Innes, Professor John Kelly, Professor David Latchman, Mr John Lindner, Ms Caroline Luker, Mrs Joy Manners, Ms Liz Meek, Mr Stuart Popham, Dr Ruth Thompson, Mr Peter Zinkin

In attendance
Mrs Katharine Bock (Head of Governance and Corporate Support), Mr Keith Harrison (College Secretary and Clerk to the Governors), Ms Roisin Lynch (Corporate Support Officer), Ms Naina Patel (Director of HR)

By invitation
Ms Patricia Crampton (for item 35), Professor Nicholas Keep (Executive Dean School of Science)

Apologies for absence
Mr John Biggs, Dr Alex Colas, Mr Paul Shelton, Professor Julian Swann

25 SCHOOL OF SCIENCE
Received

25.1 A presentation from the Dean of the School of Science, explaining the School’s past and future challenges and opportunities. The School HAD more undergraduate and fewer postgraduate taught students compared with the rest of the College, which was not uncommon for science departments in the HE sector. The School’s departments (Biological Sciences, Earth and Planetary Sciences, and Psychological Sciences) all had significant numbers of non-academic staff, including researchers and technical staff. A large percentage of the School’s income came from research.

25.2 The School had been an early adopter of distance learning, with longstanding distance programmes in Crystallography and in Earth Sciences. The department of Psychological Sciences were negotiating with the University of London International Programme on a potential collaborative distance learning programme.

25.3 The School had faced challenges since the restructuring of the College, including the need to integrate programmes and students from the former Faculty of Lifelong
Learning, and the merger of the former Schools of Biological and Chemical Sciences and Crystallography to form the department of Biological Sciences. Further challenges were likely to arise in the future as a result of the loss of HEFCE funding for Strategically Important and Vulnerable Subjects (SIVS), and the growing concentration of research funding in large institutions and consortia. The department would also need new research and teaching facilities if it was to successfully expand any further.

25.4 The School had a very positive longstanding collaboration with University College London. This was fundamentally important to the research intensive status of Earth Sciences and Biological Sciences. It was unlikely that the relationship with UCL would lead to a merger in the way that it had between UCL and other institutions, because Birkbeck was specialist by mode (i.e. evening study) rather than by subject. Collaboration with other institutions was becoming increasingly important for securing research and capital funding.

25.5 The Executive Dean of the School of Science had led Birkbeck in acquiring the Athena SWAN Bronze award, awarded to institutions that had made a commitment to advancing women’s careers in science, technology, engineering, medicine and mathematics. In addition, the Department of Management had been awarded an EU grant to investigate the involvement of women in Science. The data coming out of this project would help the School in further supporting the careers of its women academics.

25.6 There were many opportunities for the School in the future, linked to a successful outcome in the Research Excellence Framework and continued growth in student numbers. To support this, work was underway on projects for new and refurbished buildings for the School. Governors asked about the potential to expand after the removal of the Student Number Control in 2015-16, and heard that the College would consider the introduction of new programmes and subjects where there was demand. However, expansion in science was constrained by laboratory space. The College would also need to establish who its most significant competitors would be.

25.7 Governors noted the comparatively small size of the Earth Sciences department and heard that it was usual in the HE sector for Earth Sciences to be one of the smaller science departments. Birkbeck provided the only part time geology degree in the country, but demand was relatively low. The department had been badly hit by the removal of funding for students studying Equivalent or Lower Qualifications (ELQ) in 2008, as it had previously catered for mature students studying geology as a hobby.

25.8 Governors asked about the potential for commercial exploitation of research output, and heard that the College had a contract with UCL Business for advice on
potential commercial exploitation. However, there were limited opportunities for commercial work in the School’s main research areas.

26 DECLARATION OF INTERESTS
Noted
26.1 Governors were asked to disclose in advance any conflicts of interest in relation to the matters listed on the agenda. Robert Allison noted a consultancy arrangement with the College’s external auditor KPMG. John Lindner noted that he had been involved in an incident noted in the annual report from the Safety Committee.

27 CONFIRMATION OF THE MINUTES
Confirmed
27.1 The minutes of the meeting of 4 December 2013.

27.2 The Minutes of the meeting of 15 October 2013, amended in accordance with the changes agreed at the 4 December meeting.

28 MASTER’S REPORT
Noted
28.1 The College had recruited over its Student Number Control (SNC) target in 2013-14, which had resulted in a fine automatically being applied to the College. Birkbeck had appealed and the fine had been partially waived in respect of students who had transferred from part time to full time courses. The College had been given an increased SNC of 1100 for 2014-15. While the SNC would be removed in 2015-16, it was likely that HEFCE would fine institutions for each year that students over-recruited in 2014-15 continued their studies. The College would therefore need to keep within the SNC in 2014-15.

28.2 The College’s strategy would be to build up three year degree numbers, to replace the large four year cohorts recruited in the old system who were finishing their degrees and to put the College in the best possible position for an uncertain future. One area of uncertainty was the possibility that the Government would classify students who studied in the evening as part time even if they completed their course in three years, removing their ability to get a maintenance loan.

28.3 Members asked whether students on three year evening degrees at Birkbeck tended to also be in employment, and heard there was a wide variety of employment circumstances. Many worked part time.

28.4 The Master was setting up a group to plan for the future of the College, with a brief to consider a vision and strategy for Birkbeck in 2023, the College’s 200th anniversary. He noted that while there would doubtless be more challenges for the
College to face in the future, there was a sense that the College’s destiny was in its own hands.

29 PRO VICE MASTERS

Approved

29.1 Appointments for further three year terms, to 30 September 2017:
- Professor Matthew Weait as Pro Vice Master for Academic Partnerships
- Tricia King as Pro Vice Master for Strategic Engagement and Recruitment (change of portfolio title from Student Experience)

Noted

29.2 Both Pro Vice Masters had made significant contributions to the College. Tricia King’s work to promote Birkbeck had been a major contributing factor to the College’s improved position. Matthew Weait’s work had led to a fivefold increase in the number of students recruited from Further Education Colleges.

30 GOVERNORS STRATEGIC HORIZONS DISCUSSION

Received

30.1 A note summarising the outcomes of the 10 March Strategic Horizons meeting (G 2013 13)

Noted

30.2 A more detailed note would be circulated for the information of those Governors who had been unable to attend this meeting.

30.3 A number of the issues that had been considered were still the subject of live discussion, such as the size and shape of the College and the balance that there should be between teaching and research. Governors restated the importance of achieving the right balance between expansion of student numbers and quality of teaching to ensure that a good student experience was maintained.

30.4 Governors confirmed their wish to be involved in discussion about the College’s choices about its future and the opportunities and risks involved. It was agreed that the Governors would have another strategic discussion meeting in the next academic year with the output feeding into the strategic planning cycle.

30.5 It was agreed that once all the Executive Deans had presented to the Governors on their Schools, the Pro Vice Masters would be asked to give presentations on their strategic portfolios.

31 FINANCE AND GENERAL PURPOSES COMMITTEE

Received

31.1 The Report of the Finance and General Purposes Committee (G 2013 14)
Noted

**Budget estimates 2013-14**

31.2 The forecast surplus had increased from £1.6M as reported in December 2013 to £2.2M. The main changes were increased tuition fee, room hire and research grant income; reduced forecast of Schools’ pay spending; increased central pay and restructuring contingency; and release of contingency related to student recruitment. Negative adjustments had been made for students whose withdrawal was recorded after the 2012-13 year end and for the HEFCE in year grant adjustment (fine) for over-recruitment.

**University Square Stratford Space Sharing**

31.3 F&GPC endorsed a proposal to revise the space sharing agreement with the University of East London (UEL) for University Square Stratford. The original share had been defined on the assumption that Birkbeck would hire its space out during the day, but it had since emerged that the conference room hire market in East London had more supply and less demand than in Bloomsbury. The College would retain 15 of its current 17 classrooms on a time share basis, with UEL usage in the daytime and Birkbeck usage in the evening. This was in accordance with Birkbeck’s wider policy to time-share space with daytime institutions. Birkbeck would retain the Weston Learning Centre, IT workstation room and five offices. Rooms that were not being used by UEL would be available to Birkbeck at non-commercial rates.

31.4 This did not represent a retreat from Stratford. The new arrangement was not expected to affect the College’s capacity to teach its current offer in Stratford or to expand it in the future. Estates Committee had made useful suggestions that were being taken forward on branding and signage in the common areas of the building, to promote both institutions’ identities.

31.5 Part of the arrangement involved the transfer of a dance studio to UEL, although there would be negotiations to secure use for Birkbeck students should the need arise. Governors heard that when the plans for the building were being developed the College had plans for expansion in the arts which it had not been able to pursue given the impact of the new fees and funding system.

31.6 Birkbeck would inform the grant givers about the new agreement, but it was not expected that there would be any objections, as the changes did not transfer any money from the building to Birkbeck and would not impact on the College’s academic profile or activity in the building.

Approved

31.7 The proposed plan for revised space sharing at University Square Stratford.
Investment Committee

31.8 On the advice of the investment managers, the investment fund continued to concentrate on defensive and less volatile stocks, with correspondingly modest returns. It was agreed that the College should proceed with this level of caution for the present as it was important to protect the investment asset that had been built up.

HR matters

31.9 Approved

The following policies, which had been recommended for approval by F&GPC:
• Probation procedure
• Relocation procedure

AUDIT COMMITTEE

32 Noted

32.1 Received

The Report of the Audit Committee (G 2013 15)

32.2 A new internal audit programme for 2014-15 to 2016-17 would be presented in the summer term, in tandem with the work being undertaken to update the College strategic plan and risk register. The committee would also review internal and external audit service providers and review its own effectiveness once the new Finance Director was in post.

32.3 Audit Committee continued to monitor progress in reconciling credit and debt balances and refining the College’s aged debt report, which had been developed in response to the increased risks of tuition fee debt in the new fee and funding system. The College was carrying out a significant amount of work to improve the processes for following up debt. The Committee would receive another report from the internal auditor on this area in the summer term.

32.4 Audit Committee considered and was satisfied with reports on governance, research grant management, student records, programme development and costing and payroll. Governors noted that there had been discussion in the Committee for University Chairs on whether it was good practice for Chairs of Governing Bodies to also Chair Remuneration Committees. It was confirmed that Birkbeck’s Remuneration Committee had discussed the issues involved and were happy for the current arrangements, in which the Chair of Governors did chair Remuneration Committee, to continue.
32.5 On programme development and costing, Governors asked why it had not been possible to establish a common methodology for programme costing and heard that the Schools had been able to agree an appropriate methodology. Audit Committee would revisit this issue.

32.6 The Committee forwarded a report on key performance indicators on the College’s top ranked risks. While the overall risk assessment was the same as in November 2013, with financial sustainability, student recruitment and national HE policy issues remaining as the top and high profile risks, there were continuing signs of improved prospects.

32.7 Audit Committee noted that a new risk was emerging from the combined effects of the large deficit in the Universities Superannuation Scheme (USS) and new financial reporting requirements for HE institutions, in line with the Financial Reporting Council’s recommended reporting standard (FRS 102), with greater requirements for reporting potential liabilities. These requirements would come into effect for financial years starting after January 2015, but the College would need to present information in the new format for the 2014-15 accounts, to enable comparisons.

32.8 Governors asked if Birkbeck would be required to put more money into USS to address the deficit and heard that a range of options was under discussion, including increasing contributions and curtailing benefits. As an illustration of the potential impact at Birkbeck, Governors noted that an additional employer contribution of 5% would equate to a recurrent annual cost of £1.5M. This would have an impact on negotiations on the annual pay award. Governors with experience of pension schemes elsewhere noted that the impact of the USS deficit could be greater than the current national discussions acknowledged.

32.9 A student Governor asked about the current national pay dispute and proposed marking boycott. While College management hoped that the dispute would be settled without marking boycotts, it was putting measures into place to ensure students would not be disadvantaged. This was a difficult situation involving a sector-wide dispute and the College wished to minimise disruption to students and maintain good relations with staff. Governors asked about the impact of a potential marking boycott on students with immigration visas. It was agreed that if necessary the College would discuss with the trade union and student representatives the impact of the marking boycott on international students.

32.10 Governors noted that the Audit Committee had considered and was satisfied with a termly report on major projects being undertaken in the College. The Birkbeck Stratford building project and the Next Steps programme had been successfully completed, although Stratford activity would still be monitored through the normal
channels. The Catalyst programme to enhance flexible evening courses had been formally initiated following confirmation of HEFCE funding.

33  ACADEMIC BOARD

Received

33.1 The Report of the Academic Board (G 2013 16)

Noted

33.2 Academic Board welcomed the College’s new interim Academic Registrar Bob Westaway, who would lead Registry Services until a permanent appointment was made.

Academic Board membership

33.3 Having noted Governors’ agreement to a change to the College Statutes making Teaching and Scholarship staff eligible to stand for election as Governors, Academic Board agreed to add to its membership two members of Teaching and Scholarship staff, to be selected by and from among the Teaching and Scholarship staff.

Research

33.4 Research Committee and Academic Board considered whether the merging of the departments of Iberian and Latin American Studies and European Culture and Languages would have a negative impact on research. It was concluded that research would not be affected by the merger, which had been prompted by taught student number concerns. The two Research Centres hosted in the new department (Aesthetics of Kinship and Community and Iberian and Latin American Visual Studies) played an important role in promoting research in these subject areas.

Complaints

33.5 TQEC and SEWP reported to the Academic Board the results of an annual report on student complaints. They noted an increase in the annual rate of complaints received, which was likely to be linked to higher tuition fees and increased expectations. Governors asked if this was a matter of concern, and heard that the increase had been incremental as the new fees and funding regime had been introduced, and that is was broadly in line with the rest of the sector.

Approved, as recommended by the Academic Board:

33.6 Conferment of the title of Emeritus Professor:
  - Professor William Rowe
  - Professor Christine Slingsby

34  HEALTH AND SAFETY

Received

34.1 The Annual Report of the College Safety Committee (G 2013 17)
34.2 Work was underway to ensure that there was an effective Health and Safety system in place for Birkbeck staff at University Square Stratford. USS would be incorporated into the regular cycle of safety activities across the College.

34.3 As requested at previous meetings, Governors received a summary of action taken in response to incidents been reported to the College Health and Safety Officer during the year.

35 EQUALITIES COMMITTEE

35.1 The Report of the Equalities Committee (G 2013 18)

35.2 The Report had been enhanced to include more benchmarking data, reflecting feedback from Governors on the last report. New data had been collected, including data on religion and sexuality. Governors noted that the benchmarking data showed that Birkbeck was performing better on equality and diversity indicators than many others in the sector, although there was still room for improvement, for example in the recruitment and retention of Black and Ethnic Minority staff.

35.3 The Equality and Diversity report would be discussed again at the next meeting of the Equalities Committee and actions agreed to address identified issues before being brought back to Governors for approval in the summer term.

35.4 It was confirmed that Birkbeck had a larger percentage of disabled students than many other HE institutions.

36 SEALING OF DOCUMENTS

36.1 The College Seal had not been used since the last meeting of the Governors.

37 STUDENT UNION MEETINGS

37.1 The student governors noted that the next meeting of the Students’ Union would be held in Stratford, which was intended to be a regular occurrence. They extended an invitation to the other members of the Governing body to attend.

38 MEETING DATES

38.1 The date of the summer term meeting:
  - Wednesday 9 July 2014 at 4.30pm