Present
Mr Harvey McGrath (Chair), Mr Richard Abbott, Mr Robert Allison, Mr John Biggs, Dr Alex Colas, Ms Julia Collins, Professor Philip Dewe, Mr Hugh Ferrand, Professor John Kelly, Professor David Latchman, Mrs Joy Manners, Ms Liz Meek, Mr Eamonn Moyles, Mr Stuart Popham, Mr Paul Shelton, Mr Pierre Smith-Khanna, Professor Julian Swann, Dr Ruth Thompson, Mr Peter Zinkin

In attendance
Mrs Katharine Bock (Head of Governance), Mr Keith Harrison (College Secretary and Clerk to the Governors), Ms Roisin Lynch (Corporate Support Officer), Mr David McGhie (Director of Planning), Mr Peter Westley (Director of Finance)

Item 22: Professor Miriam Zukas and Ms Eleanor Mongey

Apologies for absence
Dr Rebecca Gumbrell-McCormick, Ms Annabel Jones

3 DECLARATION OF INTERESTS
Noted
3.1 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 external auditor KPMG.

4 CONFIRMATION OF THE MINUTES
Confirmed
4.1 The minutes of the meetings of 3 July 2012 and 24 September 2012.

5 MASTER’S REPORT
Noted
5.1 There had been a significant decline of c.38% in recruitment onto four year undergraduate programmes. This was in line with planning assumptions for the first year of the new fee and funding system and was financially sustainable in the short term while larger cohorts of students recruited in earlier years were still studying. However it could not be sustained indefinitely.

5.2 Student retention was higher than usual in 2012-13, presumably as students wished to remain on the old fees system.
5.3 Every effort was being made to increase student recruitment. The College was conducting a survey of new enrollers and people who had chosen not to take up the offer of a place, aiming to identify what actions to take to increase enrolments.

5.4 There had been significant growth in recruitment to three year accelerated evening programmes. Students on these programmes were able to claim maintenance grants and loans whereas four year students were not. Three year degrees were subject to HEFCE student number control (SNC). The College had exceeded its 2012-13 SNC by approximately 70 students, partly because it had been informed about the SNC late in the recruitment cycle and partly because it had taken a strategic decision to avoid under-recruitment in support of the plan to further expand three year degree numbers and ask for an increased SNC for 2013-14. The consequence of exceeding the SNC was a fine (applied as an in year grant reduction per student over the target). The College would be appealing, for the reasons set out above.

5.5 Data was being gathered on the demographics and achievement of the three year students. They were younger than the four year students and some were entering directly after “A” levels. The College would review entry tariffs, aiming to encourage recruitment while maintaining a good student experience and its reputation for academic rigour. It was discussing with HEFCE a bid for support from the Catalyst fund to develop and enhance intensive evening provision.

5.6 Despite concerns that the new system would deter poorer students, there had been increased demand from students with incomes below £25K, a testament to the strength of the College’s financial support package. Enrolments had fallen most significantly for students with incomes between £25K and £30K, for whom no financial support was available. More work would be done on reaching these students.

5.7 In January, the annual Strategic Planning Committee awayday would consider recruitment strategies and financial planning in the light of financial models showing the impact of 2012-13 recruitment and different recruitment scenarios in 2013-14.

5.8 The College would continue to lobby on part time issues. As well as the costs and benefits of part time provision, it was identifying specific measures through which the Government could provide support, including tax breaks for students or their sponsoring employers and continuation of part time premium funding. There was national concern over large drops in both part time and mature student numbers.

6 **BIRKBECK STRATFORD**

**Received**

6.1 A report on academic and building developments at Stratford. ([G 2012 02](#))

**Noted**

6.2 Good progress was being made on the construction project. Although a delay in the construction schedule had been reported, this was not expected to affect the plan to open the building in autumn 2013.
6.3 The project was within its budget. The project; and any changes to budget or specification; was governed through a joint Birkbeck-UEL structure. At Birkbeck regular progress reports were being made to Estates Committee and, via the internal auditor, to Audit Committee. Audit Committee had emphasised the need to control costs and preserve the contingency as much as possible, monitor the building programme and ensure that any proposed changes to the programme were either agreed by both partners or paid for by the proposing partner.

6.4 The focus was now on planning operations, including the student centre, the Weston Learning Centre and the front of house; developing the academic programme; and media and outreach strategies. The staffing plan had been agreed. There was a proposal that UEL’s existing Facilities management contractors be asked to provide catering, cleaning and security services by extension of their current contracts. Audit Committee had asked for a benchmarking exercise to assess whether this would provide value for money.

6.5 It was confirmed that the building plan included Student Union space and that further discussions on how it could be best used would take place.

7  NEXT STEPS FOR BIRKBECK

7.1 A report on the Next Steps for Birkbeck projects. (G 2012 03)

7.2 With the new system in place, the focus had shifted to managing new issues that had arisen under the new system.

7.3 There was comprehensive information on student finance on the College’s website, as well as a programme of emails to recently enrolled students reminding them to apply for their loans. However, confirmation of loans had been slower than expected for students on part time programmes. In early November, c.800 students had either not applied or had not sent in documentation to confirm their eligibility. The College was monitoring this situation and prioritising action to address it.

7.4 Governors heard that, while new for Birkbeck, the issue of students not applying for loans was experienced across the HE sector. The College’s promise to students not to pursue them if payment was delayed was only applicable to those students who had actually applied for a loan.

7.5 The Key Information Set was available on the Unistats website. The standard format of the information did not present the fees and structures of Birkbeck’s four year programmes accurately and, following a meeting with HEFCE officers, Birkbeck’s proposal that information be presented separately for three and four year programmes for was agreed.

Note: Birkbeck’s KIS is available from this link
http://unistats.direct.gov.uk/Institutions/Details/10007760
8 ANNUAL REPORT OF THE AUDIT COMMITTEE 2011-12

Approved

8.1 The Annual Report of the Audit Committee for 2011-12, enclosing the internal auditors’ annual report and the annual report on value for money. (G 2012 04)

Noted

8.2 Governors were satisfied with the Audit Committee’s opinion that Birkbeck’s systems for risk management, control and governance; for promoting economy, efficiency and effectiveness; and securing Value for Money were adequate and effective.

9 FINANCIAL STATEMENTS 2011-12

Noted

9.1 Finance and General Purposes Committee had considered the Financial Statements for the year ended 31 July 2012 and recommended that Governors approve them. (G 2012 05A)

9.2 Audit Committee had considered and was satisfied with the Financial Statements and the external auditor’s report on them. The auditor confirmed an unqualified opinion on the accounts. Audit Committee recommended that Governors authorise their Chair to sign the letter of representation to the external auditor, concluding the audit for the 2011-12 financial year. (G 2012 05B)

Noted

9.3 The surplus for 2011-12 was £6.5M, compared with £6.7M in 2010-11. These surpluses had increased the College’s reserves, providing insurance against the challenges ahead.

9.4 The report made to the Governors in June 2012 predicted a £4M surplus, with £1M held as contingency. The improved position was due to savings and lower than forecast spend in pay and non pay budgets. Provision for bad debt and pay liabilities had increased and the revised asset depreciation policy had been implemented, bringing back into the income and Expenditure account some categories of expenditure in Estates and Facilities that had been capitalised in previous years.

9.5 Every School had posted a surplus for the first time, which was a commendable achievement.

9.6 F&GPC had noted the likelihood that employer contributions to pension schemes were likely to increase, given that the schemes currently had values that were lower than their predicted liabilities. This should be reflected in future financial forecasts.

Approved

9.7 The Financial Statements for the year ended 31 July 2012

Agreed

9.8 To authorise the Chair of Governors to sign the letter of representation to the external auditor
10 FINANCIAL FORECASTS
Approved
10.1 Updated financial forecasts to be submitted to HEFCE (G 2012 06)

11 ANNUAL MONITORING STATEMENT
Approved
11.1 The Annual Monitoring Statement for 2012. (G 2012 07)

12 ANNUAL RETURN TO HEFCE
Noted
12.1 The Financial Statements, the Audit Committee annual report, the letter of representation, the annual monitoring statement and the financial forecasts would be submitted to HEFCE as part of the annual accountability return.

13 CODE OF PRACTICE ON FREE SPEECH
Received
13.1 The proposed Code of Practice on Free Speech. (G 2012 08)

Noted
13.2 As requested following Governors’ consideration of an earlier draft, the policy took account of the link with the Dignity at Work and Study Policy and the context of the Education Act 1986 which required universities to take steps to ensure freedom of speech within the law. The policy had been sent to the Students’ Union for consultation and to legal advisors for advice on best practice.

13.3 It was confirmed that under the Code of Practice the Students’ Union would not be able to operate a no platform policy, although there were provisions to prevent harassment and promote safety.

13.4 The Governors asked to receive a routine report when decisions had been made under the Code of Practice or involving the security services.

Approved
13.5 The Code of Practice on Free Speech.

14 VICE MASTER
Confirmed
14.1 Extension of Professor Philip Dewe’s appointment as Vice Master until 31 July 2014. Governors agreed that Professor Dewe was an asset to the College as Vice Master.

Noted
14.2 The College would begin the next Vice Master appointment process early, so that a Vice Master designate could work alongside Professor Dewe, enabling a planned transition.
14.3 Academic Board would nominate candidates for the post of Vice Master, after which the Master would make a recommendation for appointment from among the nominees to be approved by Governors.

14.4 The Vice Master designate would not necessarily have the same portfolio of responsibilities as the current Vice Master. The strategic portfolios would continue to be distributed between the Vice Master and the Pro Vice Masters.

15 **FINANCE AND GENERAL PURPOSES COMMITTEE**

Received

15.1 The Report of the Finance and General Purposes Committee. *(G 2012 09)*

Noted

Budget estimates 2012-13

15.2 The forecast surplus had increased from £770K to £1.12M since the budgets were approved in the summer term. Changes included a final portion of the HEFCE Strategic Review grant being carried over from 2011-12; increased forecast donation and investment income; increased provision for student financial support reflecting increased demand; and decrease in forecast pay costs following the lower than anticipated national pay award. Given the student recruitment position, all of the £5.4M contingency provision would be retained.

Investment Committee

15.3 The investment portfolio was doing well and experiencing less volatility than in the previous arrangement. The Committee continued with its policy to only deposit cash with banks identified as stable by the Corporation of London.

Bloomsbury Colleges Collaborations

15.4 F&GPC received an update on The Bloomsbury Colleges (TBC) collaborations. One of the original six TBC partners, the School of Pharmacy, had merged with University College London (UCL). Another, the Institute of Education, was in talks with UCL about a strategic alliance. This had changed the landscape in terms of TBC collaborations, including the London International Development Centre (LIDC). LIDC was a multidisciplinary centre housing academic staff in its building on Gordon Square and fostering joint research and collaborative developments. The building was jointly owned by the TBC institutions under a “last man standing” exit agreement in which if an institution left they would be paid back their share of the value of the property by the remaining partners. This agreement had applied when School of Pharmacy left TBC on its merger with UCL.

15.5 F&GPC heard that, while Birkbeck was supportive of LIDC’s aims, it did not have as much emphasis on international development in its core mission as the other partners. Consequently, its involvement with and benefit from the LIDC had been smaller. LIDC had spent its start-up HEFCE grant and depended on College subscriptions for income. F&GPC agreed that, in view of the College’s potential liabilities in relation to the LIDC, it should negotiate an alternative to the “last man standing” agreement and ensure that
LIDC’s recurrent costs to the College did not increase. If not, the College should consider withdrawing from the LIDC. Governors endorsed this approach.

15.6 Recent developments had also had an impact on the development of shared services. TBC had agreed to pursue a shared building maintenance service, potentially with Birkbeck, SOAS, IoE and LSHTM. However given the current instability, the partners had decided that it would be too large a risk to build a formal shared service structure. Discussions on collaboration on maintenance service continued, including the possibility of bi or trilateral collaboration.

**Strategic Planning Committee**

Noted

15.7 SPC reported on its work on fees, bursaries and scholarships. Most tuition fees for 2013-14 would be held at the previous year’s levels. Fees for the lowest priced Certificates of HE would rise incrementally to a position where they could cover their costs after HEFCE funding was withdrawn.

15.8 SPC also approved policies on Intercollegiate Study and Institutional partnership Agreements.

**Estates Committee**

15.9 Estates Committee reported on work to improve teaching space, including the online teaching timetable, hire of external venues based on user feedback and installation of digital signage in the lecture theatres.

15.10 The 2012 refurbishment projects were almost completed, including laboratory fit-out, front of house space for the School of Law and School of Arts, connecting corridors in the School of Social Science and a postgraduate research student centre for the School of Business.

15.11 Looking forward, the College had commissioned a Master Plan, identifying opportunities for further development of the Bloomsbury site. Estates Committee’s view was that the two most feasible options were infill of the gap between the east side Torrington Square houses and the Warburg institute; and a freestanding building at the north end of Torrington Square. Both would require donor funding to proceed. If a decision was made to proceed with one or more of these projects, proposals would proceed via the Estates Committee, F&GPC and Governors.

**Students’ Union**

Noted

15.12 Restructuring of the SU, including transfer of the shop, the counselling service and the financial management of the Union to the College, was complete. The SU would maintain a focus on student representation and advice. Its outstanding debt to the College would be paid from any surplus made by the shop and the Union’s share of profit from the bar. Governors thanked the College Secretary and the task force he had convened for their...
hard work in addressing the difficult issues that had arisen with the financial management of the SU.

**Approved, as recommended by F&GPC**

15.13 The revised financial memorandum between the College and the SU. This document set out the conditions of the College’s annual grant to the SU and aimed to enable Governors to fulfil their responsibility, as required by the Education Act 1994, to ensure the SU operated in a fair and democratic manner and was accountable for its finances.

**Human Resources Strategy and Policy Committee**

Noted

15.14 HRSPC reported that a staff survey would be undertaken in 2013. Governors were also pleased to note that the College received a bronze award from the Athena Swan Charter for Women in Science and that the negotiations had successfully concluded on the harmonisation of pay and conditions for Teaching and Scholarship Staff.

**Approved, as recommended by HRSPC and F&GPC**

15.15 Recruitment of Ex Offenders Policy, in line with the Rehabilitation of Offenders Act.

16 **AUDIT COMMITTEE**

Received

16.1 The Report of the Audit Committee. *(G 2012 10)*

Noted

16.2 Audit Committee had introduced a practice of annual private meetings with the external and internal auditors, without College management present.

16.3 Audit Committee considered and was satisfied with the internal auditor’s reports on Birkbeck Stratford, International Students: UK Border Agency Compliance and Repairs and Maintenance. Its views on Birkbeck Stratford are recorded in item 6 above. On repairs and maintenance, it asked for an approved suppliers list and stronger documentation to support tender processes and will revisit this in the summer term.

16.4 On UKBA compliance, the Committee noted that actions to ensure the College could demonstrate compliance had been agreed and would be implemented, overseen by Strategic Planning Committee. These included admission procedures and attendance monitoring. The internal auditors would make another report once the new procedures were embedded. The College had also identified pedagogic, retention and pastoral reasons to monitor attendance in addition to the need to meet UKBA regulations.

16.5 The Committee considered and was content with proposed Public Interest Disclosure (Whistleblowing) Policy, noting that it had also been endorsed by Strategic Planning Committee.
16.6 The Committee forwarded a report on the top five risks and performance indicators on the College’s management of them. The main risks were maintaining financial stability, national HE policy changes and student recruitment.

16.7 Governors asked why UKBA compliance was not ranked as a top risk. Although the impact of non-compliance was high, it was reported that the College was taking effective action to manage the risks. Similarly, the Research Excellence Framework was not in the top five risks because of the effective work being done to manage and prepare for it.

Approved, as recommended by the Audit Committee

16.8 Amendments to the Audit Committee’s Terms of Reference to formalise annual private meetings with the auditors.

16.9 The Public Interest Disclosure (Whistleblowing) Policy

17 ACADEMIC BOARD
Noted

17.1 The Report of the Academic Board. (G 2012 11)

Approved, as recommended by the Academic Board

17.2 The conferment of the following Emeritus titles:
• Emeritus Professor: Professor John Shepherd
• Emeritus Reader: Dr Martin Frost

18 SEALING OF DOCUMENTS
Received

18.1 A report on use of the College Seal since the Governors’ last meeting. (G 2012 12)

19 MEMBERSHIP OF THE GOVERNING BODY
Noted


20 STATEMENT OF PRIMARY RESPONSIBILITIES
Noted

20.1 The Statement of Governors’ Primary Responsibilities and responsibilities delegated to Committees. (G 2012 14)

21 STANDING ORDERS OF THE GOVERNORS
Noted

21.1 The Standing Orders of the Governors were available on the Governors’ website: http://www.bbk.ac.uk/committees/governors

22 BIRKBECK MEMBERSHIP SCHEME
Received

22.1 An update on the development of the membership scheme (G 2012 15)
22.2 The branding of the scheme had been finalised and it would be known as ‘B Birkbeck’.

22.3 Members would be entitled to attend events such as lectures and seminars and to participate in online readings and discussion. The programme would be expanded as the scheme developed. There would be three tiers of membership offering different levels of access to College facilities.

22.4 The offer was distinct from the courses and programmes already offered through Birkbeck. It would also be kept separate from the usual schedule of public events run at the College, and from the individual School weeks (Business week, Arts week etc), in order to maintain the distinction between membership of B Birkbeck and student recruitment.

22.5 The project would have a ‘soft launch’ in 2013, with marketing being focused on those who had already expressed an interest in Birkbeck. Focus group feedback suggested that alumni saw the scheme as a way to retain links with the College. A larger advertising and marketing push would take place for the second year of the scheme.

23 PRESENTATIONS FROM THE DEANS

Agreed

23.1 Governors would hear presentations from each of the Executive Deans at future meetings.

24 MEETING DATES

Noted

24.1 The dates of the remaining meetings this session:
  • Tuesday 19 March 2013 at 5.15pm
  • Wednesday 3 July 2013 at 5.15pm