Present
Mr Harvey McGrath (Chair),
Mr John Biggs, Mr Richard Clarke, Dr Ruth Thompson,
Professor Philip Dewe, Mr Tom Hoffman, Professor David Latchman, Mr Drummond Leslie,
Mrs. Joy Manners, Mr Eamonn Moyles, Professor Michael Oaksford, Mr Garth Pollard, Mr
Sean Rillo Raczka, Mr Paul Shelton, Professor Julian Swann

By invitation
Mr Robert Allison, Professor Matthew Innes (Pro-Vice Master Strategy and Special Projects,
for item 6), Mr Tom McCartney (Health and Safety Officer, for item 12), Professor
Richard Allen (QAA observer), Emeritus Professor Eric Evans (QAA observer)

In attendance
Mrs. Katharine Bock (Head of Governance), Mr Keith Harrison (Secretary and Clerk to the
Governors), Mr David McGhie (Director of Planning), Mr Peter Westley (Director
of Finance), Mrs. Naina Patel (Director of Human Resources), Ms Julia Lerch
(Corporate Support Intern).

Apologies for absence
Mr John Poggioli, Dr Rebecca Gumbrell-McCormick, Ms Natalie Heppenstall.

24  DECLARATION OF INTERESTS
Noted
24.1 Governors were asked to disclose in advance any actual or potential conflicts of
interest in relation to the matters listed on the Agenda.

24.2 The meeting was being observed by two QAA assessors as part of the College’s
application for Degree Awarding Powers. College Management had discussed with
the QAA the potential conflict of interest for the assessors when Governors
discussed tuition fee strategy. The QAA had confirmed that the Assessors would be
maintaining confidentiality and that the roles of the observers at their home
institutions did not present any specific conflicts of interest.

24.3 Dr Thompson noted her membership of the governing body at Staffordshire
University. Mr Leslie noted his membership of the Institute of Education’s governing
body. Mr Tom Hoffman noted his membership of the governing body at the Guildhall
School.

25  MINUTES OF THE LAST MEETINGS
Confirmed
25.1 The Minutes of the meeting of 24 November 2010, subject to the following amendments:

5.2 *(Insertion)* Prior to the Governors’ meeting, UCU, UNISON and the Students’ Union had presented the Master and the Governors with an appeal, asking them to sign it to reaffirm the College’s commitment to accessible higher education and oppose the proposed changes to fee and funding policy. *The Master and the independent Governors did not sign the appeal, noting that while they remained fully committed to the College’s mission they preferred the option of pragmatic diplomacy to get the best possible outcome for Birkbeck* (see Minutes 5.3 – 5.6).

5.5 *(Insertion)* Governors debated the next steps to be taken, acknowledging the strength of feeling among students and staff and their legitimate concerns about the future of higher education.

5.6 *(Insertion)* The majority of Governors endorsed a continuing approach of pragmatic diplomacy, noting that outspoken protest would limit the College’s ability to influence policy and secure a good outcome for part time higher education. *Some Governors did not agree with this approach.*

26 MASTER’S REPORT

**Noted**

26.1 The College was continuing its strategy of pragmatic engagement with Government, lobbying BIS and other agencies to secure the best possible outcome for part-time students in the new fee and funding environment. A particular focus was around repayment of loans to ensure part-time students were not disadvantaged in the new system.

26.2 The National Pay Award, which was lower than previously at 0.4%, had been accepted by the three support staff unions (Unison, Unite and GMB). UCU and EIS had not accepted the settlement and UCU had called industrial action over the pay award and changes to the pension scheme. It was reported that Birkbeck staff taking industrial action were doing so reluctantly and as a last resort and that the issue was a national dispute, not aimed at Birkbeck management specifically. Pay for staff taking industrial action would be withheld and paid instead into the student hardship fund. The College and UCU would be communicating with students to minimise disruption to their classes.

27 HEFCE FUNDING

**Received**

27.1 An update on anticipated HEFCE funding for 2011-12. *(G 2010 14)*

**Noted**

27.2 Discounting the £698K moderation grant made for 2010-11 to help manage changes from the previous year, total recurrent grant had decreased by 4% compared with a sector average decrease of 4.1%. Research funding had increased by £125K, equivalent to a 1.3% increase, from increased research supervision and charity funding allocations. Teaching funding had decreased by £1,402K (6.3%) mainly due to reduction of core funding and the phased withdrawal of ELQ transitional funding.

27.3 The 2011-12 baseline student number target was 4,899 FTEs, with 5,165 FTEs required to secure the additional student number funding allocated after the ELQ cuts.
27.4 As the last four months of the academic year (April – July) fell into a new fiscal year, there were likely to be further in-year cuts after HEFCE received its 2012-13 budget from BIS. Provision for these cuts had been factored into College financial plans.

27.5 Governors discussed the importance of maintaining high quality and sustainable research, including using capital allocations to sustain the College’s research base. The College was forecasting a downturn in research grant funding, with the large Sure Start contract coming to an end, although a number of large new grant applications were being made.

28 NEXT STEPS FOR BIRKBECK

Considered and Endorsed

28.1 A paper from the Master on development of strategy in response to changes in fee and funding policy. (G 2010 15)

Noted

28.2 The document had been produced following the extended awayday meeting of Strategic Planning Committee (SPC) and Executive Deans in December 2010. It outlined Birkbeck’s next steps in response to the fundamental changes to HE funding that would take effect in 2012-13. The document had been circulated throughout the College and the Master had met with Schools, Professional Services and students to discuss it. Developments were planned on broad front, building on the successful restructuring of the Strategic Review. Schools would need to plan to deliver programmes that attracted students in the new environment as well as maintain their capacity to conduct high quality research. Professional Services would need to support these developments in a cost effective way.

28.3 Institutional challenges included:
- Ensuring sufficient and sustainable tuition fee income in response to funding cuts
- Reviewing the student financial support strategy
- Improving space, facilities and support to meet raised expectations of higher fee payers
- Identifying flexible study patterns and payment options, recognising that some students would take advantage of student loans but others would not be able or willing to do so
- Supporting research and preparation for the Research Excellence Framework
- Controlling costs while facilitating necessary expansion.

Considered and Endorsed

28.4 Financial scenario models for 2011-12 – 2015-16. The process for submitting financial forecasts to HEFCE. (G 2010 16)

Noted

28.5 The financial scenario model estimated the impact of changes to tuition fee and funding policy, forecasting several lean years from 2012-13 before the College’s finances would recover. The model included the likely tapering away of HEFCE T funding and the introduction of higher fees for undergraduate degree students from
2012-13. The higher fees would be phased in over four years as successive cohorts of students entered the system.

28.6 HEFCE had extended its deadline for submission of annual financial forecasts from December 2010 to April 201. The forecasts would be in the form of a standard single projection based on the model. The Chairs of F&GPC and Governors would be consulted and the forecasts would be reported to Governors at the next meeting.

28.7 Governors acknowledged the difficulty of producing realistic financial forecasts given the current level of uncertainty around the new fees and funding system. They heard that, together with the forecasts, the College would be submitting a commentary outlining current uncertainties in financial planning.

**Considered and Approved**

28.8 Tuition Fee levels for 2011-12. *(G 2010 17)*

Noted

28.9 At its last meeting, Finance & General Purposes Committee had considered 2011-12 fees and agreed to forward proposed fees to Governors for a broad discussion of fee strategy. The Pro Vice Master for Strategy and Special Projects, who chaired the Fee, Bursary and Scholarship Committee (FBSC), had been invited for this item.

28.10 Some members of F&GPC had asked whether the fees for 2011-12 should be further increased, to make the most of the expected high levels of student recruitment in the last year of the lower fee system.

28.11 Governors heard that the proposed 2011-12 fees reflected Governors’ resolution to increase undergraduate degree fees until they reached equivalence with the current regulated full time “top up” fee, in parallel with an expanded bursary scheme. The baseline tier of the proposed fees for 2011-12 had reached equivalence. FBSC had been working with Schools to ensure programmes were assigned to an appropriate tier and were not over or under priced. More than half of the College’s undergraduate entrants were on higher tiers above equivalence and there had also been significant movement in postgraduate taught programme pricing, with 64% of the College’s postgraduate taught entrants on programmes with higher fees.

28.12 Governors commended the fee strategy for 2011-12 and confirmed that the fees were at the appropriate level. The strategy was supported by a bursary scheme for students in receipt of the means tested Part Time Grant, supplementing their grant to the level of the Birkbeck fee. Governors also reiterated the importance of continuation of appropriate pricing for postgraduate programmes, particularly as students with debt from their undergraduate studies moved through the system.

*Minutes 28.14 – 28.22 cover reserved business: commercially sensitive business restricted to members of the Governing Body*

Considered

28.13 Parameters and processes for setting tuition fees for 2012-13. *(G 2010 18)*
28.23 The Student Governor’s endorsement of the development of student financial support; disagreement with the decision to increase tuition fees in 2012-13; and statement that the College should instead be lobbying against Government policy.

29 STRATEGIC REVIEW
Considered
29.1 Progress in implementing the Strategic Review. (G 2010 19)

Noted
29.2 Good progress was being made in the projects with no critical issues to report.

29.3 The 2010-11 portfolio review had focused on the efficiency and effectiveness of the portfolio of programmes, in terms of student recruitment compared with targets, staff student ratios and student numbers by module and programme. Schools had made their reports to Strategic Planning Committee after which feedback was given at individual School meetings and by report to SPC. This had set the context for planning for 2011-12, with a focus on cost effective expansion and preparation for leaner years ahead after the funding policy change.

29.4 Student retention work was in train. The Retention Strategy was focusing on sharing best practice, establishing baseline statistics for retention levels as a basis for monitoring and linking recruitment and retention initiatives.

29.5 The Teaching Space Project was developing proposals for changes to the use of teaching space, including incentives for increasing space use at times of under-utilisation. It had also identified the potential to increase capacity for teaching on Birkbeck premises, and reducing the need to hire external space, through a change in termly teaching patterns (see Minute 32.9 below).

29.6 As agreed at the last meeting, an evaluation of the Strategic Review would be conducted once the new structure and processes were properly embedded.

30 BIRKBECK STRATFORD
Considered
30.1 An update on progress in the Stratford teaching programme and building project. (G 2010 20)

Noted
30.2 Good progress was being made on all fronts, with joint governance and project management structures in place; the building project securing planning permission; further actual and potential donations; increases in student enrolments; and further development of outreach and student services initiatives.

30.3 There were 384 full time equivalent students enrolled at Stratford, an area known for low participation rates in HE. In 2011-12, the portfolio of programmes taught at Stratford would expand to include BSc Business and CertHE Legal Studies.
The shared Birkbeck and University of East London building project, now named University Square, was progressing well and invitations had been sent to over 300 stakeholders for a launch event at the end of March, with the Mayor of London, as the guest speaker. Work was expected to commence on site in August 2011 for the facility to open in September 2013.

### AUDIT COMMITTEE

#### Received

31.1 The Report of the Audit Committee. *(G 2010 21)*

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Noted

31.2 Audit Committee had considered the College’s proposed responses to the changes to tuition fee and teaching funding policy and the financial scenario modelling. It had endorsed the approach being taken, noting however that in the absence of a clear external policy steer, planning was a complicated and risky process.

31.3 The Committee had received its regular report on measures to secure and improve value for money and had asked for future reports to include quantitative information on savings, enabling information to be tracked from one report to the next.

31.4 Audit Committee had forwarded its termly report on performance indicators on the College’s top risks. Given the current external policy situation, the risks of setting inappropriate tuition fees and not responding effectively to HE policy changes had increased to the critical level. In addition Governors noted that the increasing level of risk linked to research sustainability. The risk register would be revised and re-submitted in the summer term.

31.5 Audit Committee had received and was satisfied with the most recent cashflow forecast prepared for the Investment Committee. Governors noted that although the College’s cashflow forecasts were satisfactory, as overall financial sustainability remained a major risk it would be necessary to closely monitor the cashflow forecasts.

### FINANCE AND GENERAL PURPOSES COMMITTEE

#### Received

32.1 The Report of the Finance and General Purposes Committee. *(G 2010 22)*

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Noted

32.2 F&GPC had overseen a mid year review of the 2010-11 budget. The outcome had been a significant improvement in the forecast end of year position. The forecast out-turn had improved to a £275K surplus compared with the £457K deficit forecast in June 2010 and the £767K deficit estimated in November 2010, despite an estimated £750K of additional HEFCE cuts announced during this period. F&GPC had approved the outcome of the review in the form of updated Income Distribution Model budget estimates. Governors seconded F&GPC’s thanks to all staff involved.

32.3 F&GPC had received the report of the Strategic Planning Committee. SPC had reported that the short term financial strategy was to maximise student recruitment in 2011-12 to increase and consolidate income in preparation for the uncertain period to follow. F&GPC endorsed the guidance developed by SPC for Schools and Professional Services to make their plans for 2011-12, reflecting this strategy.
32.5 F&GPC had also received an annual report on research income for the financial year 2009-10, noting that, in common with national trends, Research Council funding was falling but charity income was increasing. The College was successfully maintaining its rate of overhead recovery and thus the contribution of research income to the costs of running the institution.

32.6 F&GPC had received the draft report of the Investment Committee, which was giving priority to maintaining College reserves given the commitment to the Stratford building project and the uncertain financial environment.

32.7 Estates Committee had reported good progress on relocation and refurbishment work at Russell Square, Gordon Square and the main building. The Chair of Governors and the Chair of Finance and General Purposes Committee, had agreed a price of £1.634M for sale of the College’s share of 23-29 Emerald Street to the Institute of Education.

32.8 The College had met the requirements for eligibility for HEFCE Capital Investment Framework 2011-14 (CIF 2) funding. Allocations to institutions would be announced at the end of March. It was anticipated that allocations would show a sharp reduction compared to the previous round of CIF (2008-11). F&GPC would consider a costed plan for the 2011-12 Estates programme once the CIF 2 funding was confirmed.

32.9 Estates Committee and Strategic Planning Committee had also considered a report on internal and external teaching space use. Currently, most teaching was carried out in Terms 1 and 2 and there was an opportunity to increase the number of classes accommodated in Birkbeck space and reduce reliance on external rental if teaching were distributed more evenly across the three terms. An academic group led by the Pro Vice Master Learning and Teaching had been considering possibilities of extending teaching into Term 3. As the issue had academic implications, for students and for staff, as well as financial implications, it had been raised at Academic Board and a detailed proposal, including evaluation of the academic impact of a change to teaching patterns, would be produced for discussion in the academic committees.

**Approved**

32.10 Revised Sickness Policy.

**Noted**

32.11 HRSPC had forwarded the draft Sickness Policy to F&GPC for endorsement. The new policy represented best practice the sick pay levels were the same as the existing policy. However, College officers had not been able to agree a final version of the policy with all of the Unions. F&GPC had therefore authorised its Chair to either endorse a final version if agreement with the Unions was reached, or endorse the draft as presented to F&GPC if agreement was not reached. The policy forwarded for approval by Governors had been agreed by two of the three Unions.

32.12 F&GPC had also received the financial statements of the Students’ Union for the financial year 2009-10, noting that its receipt of satisfactory statements was a condition of continuation of the College’s grant to the Students’ Union.
33  **ACADEMIC BOARD**  
**Received**  
33.1 The Report of the Academic Board. (G 2010 23)  

**Noted**  
33.2 Governors commended staff involved in securing the award of a joint Bloomsbury Consortium ESRC Doctoral Training Centre, through which ESRC PhD training grants would be issued. Birkbeck was leading on Psychology, Economics and Politics and its share of the grants was 26 per year.

33.3 As noted in Minute 32.9, initial discussions on the use of teaching space and teaching patterns were taking place and would be continued through the academic committees.

33.3 The Student Governor recorded his thanks to the Academic Registrar for the resolution of policy issues with student representatives.

34  **HEALTH AND SAFETY**  
**Considered**  
34.1 The Annual Report of the Safety Committee. (G 2010 24)  

**Noted**  
34.2 Governors were reassured that proper arrangements for health and safety were in place across the College. There had been few incidents and policies and procedures were up-to-date, with an annual planning process and systematic monitoring and reporting of compliance.

35  **EQUALITIES COMMITTEE**  
**Received**  
35.1 The report of the Equalities Committee. (G 2010 25)  

**Approved**  
35.4 The annual Equality and Diversity Report. (G 2010 26)  

**Noted**  
35.5 Governors fulfilled their responsibility relating to equal opportunities through consideration of an annual report. The report provided an overview of progress on action achieved in the past year led by the Equalities Committee, as well as the College’s equality monitoring. Governors were satisfied with the report. Future work would include further promotion of Equality Impact Assessments and establishment of new equalities targets.

36  **SEALING OF DOCUMENTS**  
**Resolved**  
36.1 “That authority be granted to affix the Common Seal of the College to any deeds or documents necessary to give effect to the resolutions of the Governing Body at its present meeting.”

37  **MEETING DATES**
Noted

37.1 The date of the summer term meeting:
- Thursday 7 July 2011 at 5.15 p.m.