

123rd Meeting of the Board of Governors  
TM3-03 Roding building, yellow zone, Holloway Campus (N7 8DB)  
Thursday 24 November 2022, 10:00 AM — 12:15 PM GMT

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<b>Present:</b>	Lynn Dobbs Anders Krohn Baron Anyangwe Renarta Guy Shefaly Yogendra Rosemary Benson Urmi Dutta- Roy Rohin Aggarwal Rishi Trikha Denise Morrison Tijs Broeke	Vice Chancellor Independent Governor (virtually) Independent Governor Independent Governor (virtually) Independent Governor (virtually) Staff Governor Independent Governor Independent Governor Academic Governor Student Governor Independent Governor and Chair of the Board of Governors Independent Governor Independent Governor Independent Governor Independent Governor (virtually) Independent Governor
<b>Also present:</b>	Eugene McCrossan Gary Davies Nikki Le Faou Tammika Chambers Amy Rogerson Julie Hall	Chief Operating Officer DVC for Student Recruitment and Bu University Secretary Incoming Student Governor Head of VC's Office DVC (Academic)
<b>Apologies:</b>	Tricia Croasdell	Independent Governor

## 1 Welcome, Apologies, Announcements and Declarations of Interest

**Apologies:** Apologies had been received from Independent Governor Tricia Croasdell.

**Chair's Announcements:**

i) Independent Governors Urmi Dutta- Roy, Renarta Guy, Usman Khan and Margaret Farragher joined the meeting by call.

ii) The Chair of the Board of Governors offered his thanks to Independent Governor Anders Krohn attending his last meeting.

**Declarations of Interest:** Independent Governor and Chair of the Board of Governors Tijs Broeke declared an interest as a Common Councillor for the City of London. Tijs advised that he did not serve on the Committee at the City of London that considered rental and properties.

Independent Governor Usman Khan declared an interest in a section of item 8.1 as he had put himself forward for the Vice Chair and Independent Governor role, Independent Margaret Farragher also declared an interest in a section of item 8.1. Both would depart the meeting for the relevant section of the meeting.

### **1.1 Minutes of 6th October 2022 Board of Governors meeting**

For Approval - Presented by Tijs Broeke

The Board of Governors approved the minutes of the 6th of October 2022 meeting as a correct record.

### **1.2 Confidential minutes of 6th October Board of Governors meeting**

For Approval - Presented by Tijs Broeke

The Board of Governors approved the minutes of the confidential minutes of the 6th of October meeting.

### **1.3 Matters arising not covered elsewhere**

For Noting - Presented by Tijs Broeke

There were no matters arising.

## **2 Vice Chancellor's report**

For Noting - Presented by Lynn Dobbs

The Board of Governors considered the Vice Chancellor's report to the Board.

The Board noted that the Chief Operating Officer would be setting up an estates task and finish group, which would include members of the Board of Governors, to consider the future of the Aldgate campus.

The Vice Chancellor advised as to two developments that had taken place since the report had been circulated, as follows:

i) The University had been notified by OFSTED on 18th November 2022 that they would undertake an initial monitoring visit on the University's Architect apprenticeship provision. The inspection had taken place on 22nd and 23rd November.

ii) The Vice Chancellor shared some information regarding some recent successful research bids, as follows, details of which would be circulated to Governors by email.

The Board of Governors noted the update on progress against the University's key performance indicators, which would be considered in depth at the Board of Governors; January Strategy Day.

### **Conclusions**

The Board of Governors noted the Vice Chancellor's update report.

## **3 Finance Updates**

### 3.1 Financial Forecast

For Noting - Presented by Eugene McCrossan

The Board of Governors considered the October 2022 financial forecast.

It was noted that at the end of quarter one, the forecast income and expenditure account showed several changes to the original budget approved by the Board in June 2022. Financial performance was better than expected, and the surplus was anticipated to be £5.0m versus £1.5m.

On tuition fee income, the University was forecasting that tuition fees will be £5m better than originally budgeted. This included strong semester one recruitment, particularly in overseas students and takes account of the increased applications, again from overseas students to study at London Met in spring 2023.

On staff costs, the rate of spend remained in line with budget expectations. The budget plan had several contingencies including enhanced pay award, growth in headcount in specific areas and it was set with almost a full complement of staff employed throughout the year.

Other non-staff costs had increased, particularly on agency fees which was a direct result of an increase in overseas student recruitment, plus the use of agents to recruit some of the University's home students. Utilities costs had increased by £0.6m because of the turmoil in the energy markets.

The Board of Governors noted that while student numbers had increased, staff costs remained in line with budget expectations. The University was working on projects to ensure that the University continued to meet its strategic targets in respect of growth, and well-being of staff.

In response to questions regarding student accommodation it was noted that many students across the UK were facing issues in respect of accommodation. However, London was not currently seeing the same level of issues regarding student accommodation as some areas of the country, further, due to the University's demographic many students did not require accommodation as they would be living with family. However, it was recognised that there may be additional accommodation needs as the student numbers increased, and shape and size of the University changes. The University would continue to balance the associated risks and ensure that it had the right offer for students.

It was noted that the Board would return to consideration of government policy and the regulatory environment as part of its strategy day scheduled for January 2023.

#### Conclusions

The Board of Governors noted the Financial Forecast.

### 3.2 Financial Management report

For Noting - Presented by Eugene McCrossan

The Board of Governors considered the Financial Management report for the first three months to 31st October 2022.

At this early stage of the year the University was performing well against its budget.

In considering the report the Board noted that:

i) Operating surplus was ahead of the phased budget by £0.3m. Income was £0.2m higher than budget and total expenditure was £0.1m lower than budget.

ii) Pay costs were £0.2m less than budget

iii) non-pay costs were £0.1m more than budget. The key line of note was highlighted as that related to rent and utilities, which was £0.3m more than budget owing to higher energy prices and agency

fees of £0.1m due to higher student recruitment.  
iv) the current net assets figure was at £78.0m  
v) debtors was £3.6m more than this time last year, largely due to increased student numbers compared to last year

### **Conclusions**

The Board of Governors noted the report.

## **4 Accountability returns**

### **4.1 Audit and Risk Committee Annual Report to the Board of Governors**

For Noting - Presented by Nikki Le Faou

The Board considered the annual report of the Audit and Risk Committee. The draft of the report had been considered and approved by the Audit and Risk Committee at their meeting on 10 November 2022, subject to minor revisions to reflect the November meeting, which had been signed off by the Committee Chair.

The Office for Students require the Audit and Risk Committee to produce an annual report for the governing body and accountable officer. the report has also been prepared in accordance with the CUC Audit Code of Practice.

The Board of Governors noted that the number of open and overdue internal audit actions had increased from 5 to 24 over the past year, with delays in implementation of up to 18 months. It was confirmed that open actions were subject to ongoing monitoring by the Audit and Risk Committee. The number of overdue actions had reduced from 51 to 24 between the November meeting of Audit and Risk Committee and the Board of Governors meeting. This number was expected to drop significantly ahead of the next meeting of the Audit and Risk Committee in February. It was noted that the delays had largely been as a result of the departure of key members of staff.

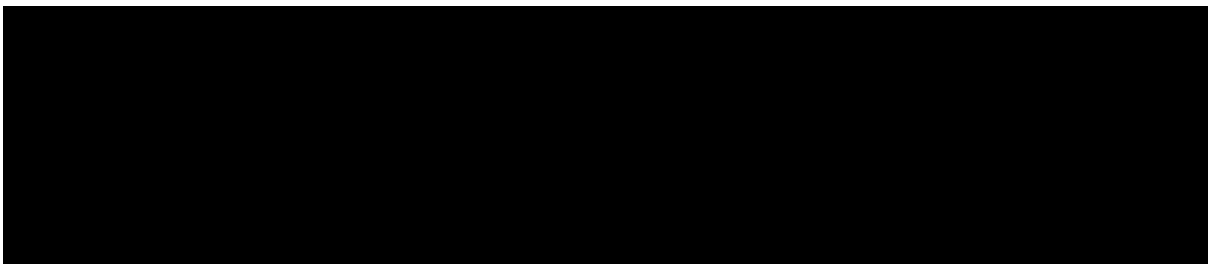
### **Conclusion**

The Board noted the Audit and Risk Committee Annual report.

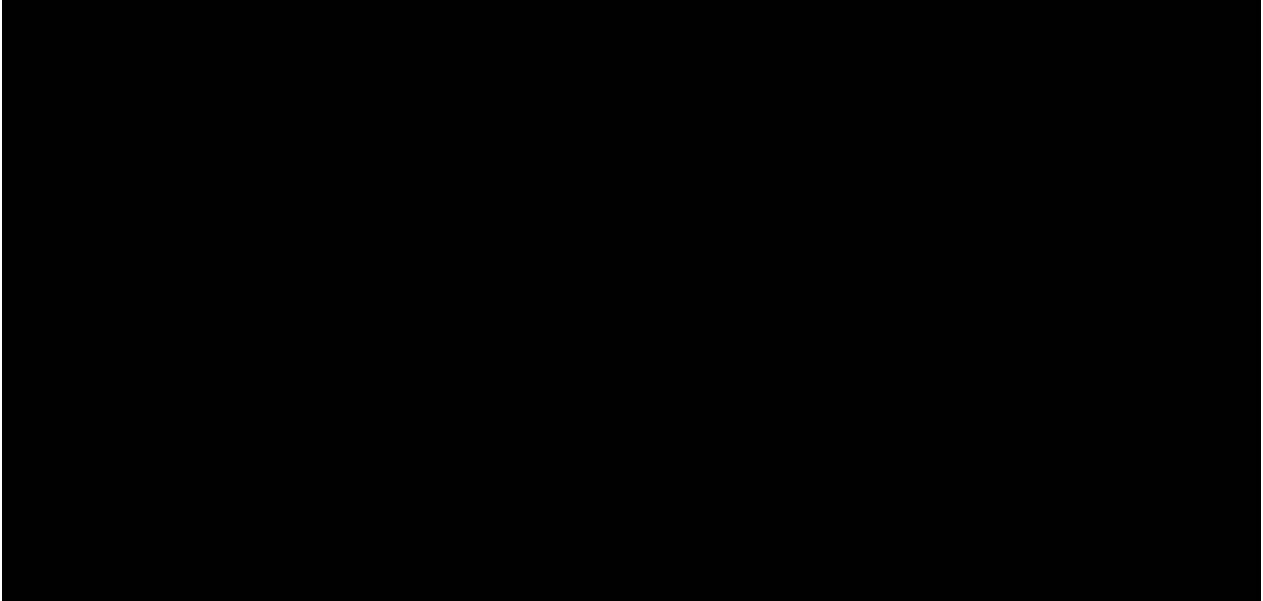
### **4.2 Internal Audit annual report**

For Approval - Presented by Eugene McCrossan

The Board considered a report that presented the internal auditor's view on the adequacy and effectiveness of London Met's arrangements for risk management, internal control and governance, and economy, efficiency, and effectiveness. The report had been considered in detail by the Audit and Risk Committee at their meeting on 10 November.



s.43(2) FOIA - commercial interests



**Conclusions**

The Board of Governors noted the internal audit annual report.

**4.3 Audited 2021/22 financial statements and commentary, letter of representation, and external audit ISA 260 management report (management letter)**

For Approval - Presented by Eugene McCrossan

The Board of Governors considered the external audit report, financial statements, and letter of representation for 2021/22. The financial statements had been considered by the Audit and Risk Committee and Finance and Resources Committee's joint meeting on 10 November, and were presented to Board of Governors for approval on their recommendation.

Following the joint meeting the following amendments had been made following that meeting:

1. Page 45 - The inclusion in the Directors Report of the Section 172 Statement.
2. Page 47 – The inclusion of the independent auditors' report.
3. Page 51 - Rearranging and clarifying comprehensive expenditure to distinguish notional pension adjustments as below.
4. Page 62 - Note 8 Rearranging and clarifying staff costs to distinguish notional pension adjustments from actual pension contributions.
5. Page 63 - Note 8 Inclusion of the full-time equivalent numbers of higher paid post holders.

It was noted that the following error wd be corrected before the accounts are published

1. Page 69 - The market value of the LPFA pension assets should read £297m instead of £297k as shown in the draft accounts.

The Board offered its thanks to the Chief Operating Officer and the wider team.

**Conclusions**

1. The Board noted the external audit report (ISA 260)
2. The Board noted the audited financial statements.
3. The Board approved the Chair of the Board to sign the Letter of Representation.

[**Post meeting note:** following the meeting final minor amendments were approved by Chair's action before the financial statements were signed. The final statements are available here on the University's website: <https://www.londonmet.ac.uk/about/our-university/university-publications/statutory-accounts/> ]

#### **4.4 Annual report on Prevent duty compliance**

For Approval - Presented by Julie Hall

The Board of Governors considered the University's annual report on compliance with the Prevent duty covering the academic year to 31 July 2022 and any significant matters up to the date of approval of the report. The report included a summary of the work undertaken in the period 1 August 2021- 31 July 2022.

##### **Conclusions**

The Board of Governors:

- i) noted the report and assurance statement which indicated the University had robust procedures in place;
- ii) authorised the Chair of the Board to sign the accountability declaration as required by the Office for Students, and;
- iii) Approved the data return for submission to the Office for Students.

#### **4.5 Annual Financial Return**

For Approval - Presented by Eugene McCrossan

The Board considered a report that presented the Annual Financial Return for their review and approval for submission to the Office for Students.

##### **Conclusions**

The Board reviewed and approved the annual financial return 2022.

#### **5 Public Interest Disclosure policy**

For Approval - Presented by Nikki Le Faou

The Board of Governors considered a report that presented a review of the University's Public Interest Disclosure (whistleblowing) Policy. The draft policy review had been considered by the Audit and Risk Committee in November by circulation. The report had been updated to reflect their comments prior to submission to the Board of Governors.

The Board of Governors welcomed the updates to the policy, which was significantly strengthened as a result of the proposed amendments. The Board requested that the policy be subject to further review as follows:

- i) Exploration of the possibility of engaging an external whistleblowing service, as part of the considerations the Board highlighted the need for clarity on their reporting mechanisms, and how they would verify the identity those coming forward to make a disclosure.
- ii) a step-by-step guidance document be prepared both to support the designated officers and to ensure that those making disclosures were clear on the process
- iii) It was requested that the step-by step process detail the Chair of the Board of Governors as an escalation point.
- iv) the Board requested that paragraph 6.4 be reviewed to make it more precise and the document as a whole should be reviewed with consideration to encouraging people to come forward.
- v) The Board was keen for the policy to be of exemplar standard and as such requested that a further benchmarking exercise be undertaken in support of the development of the policy ahead of submission to the Audit and Risk Committee's February meeting for review, and onward approval by the Board of Governors in March.
- vi) Once approved it would be important to ensure training was provided to ensure that designated officers were sufficiently familiar with the policy.
- vii) The Board of Governors queried whether the policy should include a reference to the grievance policy
- viii) welcomed the revised approach to balancing fairness between those making the disclosure and persons mentioned in disclosures.

The Board noted that a Governor Code of Conduct was under development and would be presented to the Governance Committee in March 2023, to support provisions already in place via the Statement of Responsibilities and Commitment to Confidentiality.

### **Conclusions**

The Board noted that the policy was significantly strengthened, however they requested that further time be taken to finalise the draft. The Board requested that the policy be reviewed with consideration to their comments and resubmitted to the Audit and Risk Committee in February for onward transmission to the Board of Governors in March 2023.

## **6 Academic Matters, Student Experience (including CEI and Apprenticeships updates)**

For Noting - Presented by Julie Hall

The Board of Governors considered a report that provided an update on Academic matters and the student experience. The key points were noted as follows:

- The annual Course Enhancement Programme had launched, the programme was designed to ensure that the University address courses with weaker metrics and share good practice across teaching teams.
- The National Student Survey occurs in February 2023 and School based Autumn Term action plans are ensuring final year students understand how we have responded to feedback, receive focused activities, and are prepared for the survey. It was noted that following an Office for Students consultation, the 2023 NSS questions will be slightly different which means comparisons over time will be difficult.

- A Research Audit will take place until February 2023 to review the quality of academic publications over the last two years and potential Impact Case Studies to inform our planning for the next Research Excellence Framework (REF).

- The Board noted the draft Teaching Excellence Framework submission.

- The Board requested that a future iteration of the report be submitted to include detail of projected improvements with consideration to the five year financial forecast.

- it was noted that there would be an emphasis on investment in quality in the refresh of the University's strategic plan.

### **Conclusions**

The Board noted the Academic Matters and Student Experience update report.

## **7 Student Governor's Report**

For Noting - Presented by Denise Morrison

The Board of Governors received the Student Governor's update report which is a standing item.

## **8 Reports from Sub-committees**

### **8.1 Governance Committee - 14 October meeting**

For Noting - Presented by Margaret Farragher

*Independent Governor Usman Khan declared an interest as he had put himself forward for the Vice Chair and Independent Governor role. Independent Margaret Farragher also declared an interest as she had expressed an interest in becoming the Independent Governor: Academic Quality. Both departed the meeting for the relevant section of the meeting (items vi and vii respectively as detailed below).*

The Board of Governors received a report of the Governance Committee's 14th October meeting and approved the following on the recommendation of the Governance Committee:

- i) Revisions to the Governance Committee's Terms of Reference;
- ii) The Fit and Proper persons declaration form for Governors;
- iii) The Governor annual review form;
- iv) Consequential amendments to the Statement of Responsibility and Commitment to Confidentiality;
- v) The adoption of the use of LMU emails by all members of the Board of Governors and adoption of staff mandatory training modules;
- vi) The Board approved the appointment of Usman Khan as Vice Chair and Senior Independent Governor
- vii) The Board of Governors approved the proposal to establish a new role of 'Independent Governor: Academic Quality' and approved the appointment of Margaret Farragher to the role to the end of her term on 31 July 2024;

The Board received the Governor Skills matrix.



### **8.1.1 Scheme of Delegation**

For Approval - Presented by Nikki Le Faou

The Board of Governors considered a report that presented proposed amendments to the Scheme of Delegation on the recommendation of the Finance and Resources Committee and the Governance Committee.

#### **Conclusions**

The Governance Committee approved the amendments to the Scheme of Delegation.

### **8.2 People and Remuneration Committee- 3rd November meeting**

For Noting - Presented by Usman Khan

The Board of Governors received a report of the 3rd November meeting of the People and Remuneration Committee and approved the following recommendations:

- i) Updates to the People and Remuneration Committee Terms of Reference
- ii) the two-step approval process for the one-off pay award
- iii) the continued adoption of the London Living Wage;
- iv) the revised approach to the Fit and Proper Persons test for management.

The Board of Governors requested that a review of the University's pay scales be undertaken to ensure this aligned to the London Living Wage commitment.

### **8.3 \* Annual HR Report**

The Board of Governors received the Annual HR Report which had been considered by the People and Remuneration Committee at their November meeting.

### **8.4 Audit and Risk Committee - 10th November 2022 meeting**

For Noting - Presented by Shefaly Yogendra

The Board received the report of the Audit and Risk Committee's 10th November 2022 meeting.

### **8.5 \*Risk Management update**

For Reference

The Board of Governors received the Risk Management update that had been considered by the Audit and Risk Committee.

### **8.6 \*Health and Safety Quarterly Update**

For Reference

The Board of Governors received the Health and Safety Quarterly update that had been considered by the Audit and Risk Committee at their November meeting.

## **8.7 Finance and Resources Committee - 10th November meeting (and joint meeting with ARC)**

For Noting - Presented by Urmi Dutta- Roy

The Board of Governors received the report of the Finance and Resources Committee's 10th November 2022 meeting, and the Finance and Resources Committee's joint meeting with the Audit and Risk Committee. All items for approval on the recommendation of Finance and Resources Committee had been presented as separate items for the Board's consideration.

## **8.8 \*Academic Board**

For Noting

The Board received the report of the Academic Board.

### **Board effectiveness reflections and AOB**

The Board of Governors offered its thanks to Independent Governor Anders Krohn ahead of his departure from the Board of Governors on 25 November 2022. Anders would be invited to a future social event in the New Year.

The Board requested that its work plan be submitted to a future meeting to enable fresh consideration to key items and priorities. The Board committed to creating space on Board agendas to consider the following topics in greater depth: Student Experience, continuation, and outcomes. Topics for upcoming meetings would be considered and agreed by the Board and Committee Chairs. It was highlighted that sufficient notice would be required to enable staff sufficient time to prepare, while balancing with other priorities.

The Board advised that the reports had been easy to read and were well written, in particular they highlighted that the use of graphics had been particularly useful.

### **Confidential update**

The Board of Governors received two confidential updates, the details of which can be found in the confidential annex.

**Actions from November 2022 Board of Governors meeting**

<b>Item</b>	<b>Action</b>	<b>For action by who</b>	<b>By when</b>	<b>Update</b>
<b>Public Interest Disclosure Policy</b>	The Board noted that the policy was significantly strengthened however they requested that further time be taken to finalise the draft. The Board requested that the policy be reviewed with consideration to their comments and resubmitted to the Audit and Risk Committee in February for onward transmission to the Board of Governors in March 2023.	University Secretary	February ARC / March BoG	On agenda for March Board of Governors. The policy will be reviewed by ARC and PRC ahead of that meeting.
<b>Academic Matters &amp; Student Experience</b>	The Board requested that a future iteration of the report be submitted to include detail of projected improvements with consideration to the five year financial forecast.	DVC (Academic)	March BoG	-
<b>People and Remuneration Committee- 3 November</b>	The Board of Governors requested that a review of the University's pay scales be undertaken to ensure this aligned to the London Living Wage commitment.	COO/ Executive Director of People	ASAP after meeting	The University's commitment to the LLW already confirmed that the associated pay scales would no be used. The bottom points on the pay scale below the LLW have now been removed. The website will be updated accordingly.  As no staff are currently paid on these points, there is no further impact to the University.
<b>AOB</b>	The Board requested that its work plan be submitted to a future meeting to enable fresh consideration to key items and priorities. The Board committed to creating space on Board agendas to consider the following topics in greater depth: Student Experience, continuation, and outcomes. Topics for upcoming meetings would be considered and agreed by the Board and Committee Chairs. It was highlighted that sufficient notice would be required to enable staff sufficient time to prepare, while balancing with other priorities.	University Secretary  Chair of the Board	March BoG	-

