

## **CARDIFF METROPOLITAN UNIVERSITY**

### **SPECIAL MEETING OF THE BOARD OF GOVERNORS: TUESDAY, 7 FEBRUARY 2012**

#### **MINUTES**

**Present:** Miss B. Wilding (Chair), Professor.A.J.Chapman (Vice-Chancellor & Principal), Mrs.M.Hassan, Mrs.A.Hayes, Ms.N.James, Rev. Canon R. Morrison, Mr.A.Piper, Dr.R.Smith, Mr.J.F.Thomas, Dr.M.Waring, Mr.P.R.Williams

**Attendance:** Mrs.P.M.Ackroyd (Pro Vice-Chancellor, Operations), Mrs.J.Hare (Deputy Vice-Chancellor), Mr.D.C.Price (Director of Strategy Development), Mr.R.D.G.Walters (Clerk to the Governors), Mr.M.J.Warren (Director of Finance)

**Welcome:** before the commencement of formal business a welcome was extended to Mrs Monnaza Hassam who was attending her first meeting as an independent governor.

#### **1311. Apologies for Absence**

Apologies for absence were received from Lord Boswell of Aynho (Vice-Chair), Mr.B.Davies, Dr.P.Easy Mrs.Z.Harcombe, Mr.S.Mathur, Dr.G.N.J.Port, Baroness Randerson and Mr.E.C.Thomas.

#### **1312. Declarations of Interest**

There were no declarations of interest.

#### **1313. Future Structure of Universities in Wales**

A written report presented the current position regarding reconfiguration and provided copies or summaries of the most recent correspondence. Copies of a draft business case for the University's continuing existence as an autonomous university, to which financial forecasts were to be added, were tabled. The Chair gave an oral report on conferences held with Counsel on 9 and 31 January 2012.

It was reported that the Minister for Education and Skills had written to the Vice-Chancellor on 30 January 2012 presenting his case for a single, post-92 university in South East Wales and extending an invitation to the Vice-Chancellor "and other representatives of [the] institution to discuss the options for creating such a single institution". This letter, it was noted, had not given notice of statutory consultation under s. 128 of the Education Reform Act 1988. The University's immediate response had taken the form of a letter from the Vice-Chancellor dated 1 February which had acknowledged receipt of the Minister's letter and stated that as it concerned a matter of governance a substantive response would be provided by the Chair. The Chair had written to the Minister on two occasions since receipt of the letter of 30 January as follows:

*letter of 3 February 2012:*

this letter had welcomed the opening of discussions with the three Universities and *inter alia* had requested clarification of the intended consultation process and guidance on the framework and programme for the decision-making process;

*letter of 6 February 2012:*

this letter had requested details of all submissions received by way of responses to the first consultation exercise together with details of how they had been used to inform the Minister's views.

In addition to the foregoing correspondence the report presented copies of the following letters:

*letter of 16 December 2011 from the Chair to the Minister:*

this letter had i) confirmed the Board's welcome for the All-Party support in the National Assembly on 13 December 2011 for the prioritisation of voluntary collaboration in preference to forced mergers between Higher Education Institutions and ii) confirmed the Board's proposal to build on existing relationships and develop a meaningful and constructive programme of collaborative working between the three post-1992 Universities in South East Wales, engaging with the Leadership Foundation's new service designed to help develop processes for collaborations, alliances and mergers;

*letter of 9 January 2012 from the Minister to the Chair:*

this letter had stated that it was anticipated that the next period of consultation would begin in January and that the Minister would write again early in the New Year with detailed proposals and next steps;

*letter of 9 January 2012 from the Chair to the Minister:*

this letter had made reference to the Minister's offer to meet the Chair to discuss the University's concerns in relation to consultation and requested the Minister's observations and commentary on the response which the University submitted in respect of the original consultation paper, in particular the Minister's response regarding the need for clarity of the objectives and the criteria by which achievement of those objectives would be measured as well as the requirement for a properly developed business case to inform any proposals for reorganisation;

*letter of 10 January 2012 from the Chair to the Minister:*

this letter had asked whether the Welsh Government would be considering alternative options and, if so, had requested guidance on how any assessment would be undertaken.

As at the Strategic Planning Committee meeting of 17 January 2012, this meeting noted the absence of responses to the letters of 9 and 10 January, the limitations in the Minister's response to the Chair's letter of 30 November 2011, the lack of response from any party to the Chair's letter of 16 December on collaboration, and the lack of provision for reconfiguration funding, a business case or other developmental material in support of the proposed new university. In these circumstances members affirmed the intention to argue for continued autonomy in the absence of a persuasive case and to resort to judicial review should such a course be deemed inevitable and in the University's best interests.

In accordance with a recommendation of the Strategic Planning Committee, it was reported that the Chair had agreed to the setting up of a task-and-finish group led by Dr.G.N.J.Port which was, at the earliest opportunity, to explore other legal models of institutional design available to and appropriate for Cardiff Metropolitan University, investigate the potential for increased income and the availability of additional funding streams, examine the scope for additional collaborative activity and present options for consideration. Such options were to take account of viability and sustainability in the context of current uncertainties in funding and student numbers and examine the longer-term consequences for the University of a maximum fee level of £7.5k p.a. (min. 1314 below refers). It was agreed that, in addition to the foregoing, the group would be asked to consider a tabled proposal designed i) to help the University to counter the argument that merger was the best or only way to achieve the Minister's agenda and ii) to contribute actively to the consensual achievement of that agenda.

The meeting gave authority to the Chair to agree arrangements for and determine the University's representatives at the forthcoming meeting with the Minister. It was suggested, however, that attendance should be on a strictly 'without prejudice' basis to make it clear that the University did not accept that HEFCW's recommendation was the only option. As far as was possible, the opportunity should be taken to encourage discussion of the Minister's assertions, ascertain the evidence for them, consider other options and work towards a consensual conclusion.

Members were apprised of developments in the work of the FE2HE Consortium and of proposals to establish a financial and professional services skills academy involving all HEIs and FEIs in the Cardiff City-region.

**Resolved** that

- .1 the contents of the report, the correspondence and the setting up of a ? group be noted;
- .2 the Chair be authorised to agree arrangements for a meeting with the Minister for Education and Skills.

**1314. Strategic Reallocation of HEFCW Student Numbers 2013/2014**

A written report presented the background to and mechanism for HEFCW's proposed reallocation of student numbers. The meeting received a summary of the contents of HEFCW Circular W12/03HE: Strategic Reallocation of Student Numbers 2013/2014 issued on 17 January 2012 which outlined the mechanisms for allocating full-time undergraduate and PGCE maximum student numbers for implementation from 2013/14. The circular explained the process for reallocation of the top-sliced numbers and the parameters used in this reallocation. It also set out the way that the maximum student number would be calculated in 2013/14. It was explained that the purpose of the reallocation was to adjust some of the unintended consequences of the new fees regime by way of a 'core and margin' approach with a formulaic element favouring institutions charging an average fee below or at a specified average fee level.

The report advised that effectively the University had no choice but to set fees from 2013/14 at an average of £7.5k p.a. The report continued that the precise impact on fee income and student entrant numbers was not known and that modelling demonstrated that the mechanism worked 'against' all the post-92 universities, requiring them to set their fees at an average of £7.5k (although modelling also indicated that the decision-making process was not clear-cut for the four pre-1992 universities.)

Coupled with a request for HEFCW to reconsider its approach to the reallocation exercise, it was agreed that, in accordance with the requirements of the circular, the University would

submit an "Expression of Interest" template to HEFCW with a view to lowering the average FT UG and PGCE fee for 2013/14 to £7.5k. It was agreed further that 2012/13 entrants would be charged £9,000 in accordance with the 2012/13 fee plan with fees reduced to £7,500 for future years, that commitments made in the Fee Plan 2012/13 would be re-assessed as part of the process of developing the Fee Plan for 2013/14 and that consideration would be given to the setting of differential fees for the year 2013/14 *et seq.*

The meeting noted the potential impact of any reduction of English student applications on the viability of the HEFCW model.

**Resolved** that:

- .1 the University would indicate to HEFCW its intention to set an average fee of £7,500 for three years from 2013/14;
- .2 the University would charge 2012/13 entrants £9,000 in accordance with the 2012/13 fee plan and that fees for 2012/13 entry students would reduce to £7,500 for future years;
- .3 commitments made in the Fee Plan for 2012/13 would be re-assessed as part of the process of developing the Fee Plan for 2013/14;
- .4 consideration be given to the setting of differential fees for the year 2013/14 *et seq.*

**1315. Governance Report: Board and Committee Membership**

As set out in a written report, the meeting approved the recommendations of the Nominations and Governance Committee i) for the immediate appointment of two co-opted members of the governing body, to fill current vacancies, and ii) for membership of the Human Resources and Audit Committees and the Stakeholder Forum's Membership Selection Panel. A future report was to make a recommendation for the appointment of a new independent chair of the Membership Selection Panel.

Dr Peter Easy and the Rev. Canon Robin Morrison were thanked for their contributions to the work of the Human Resources Committee.

**Resolved** that:

- .1 Baroness Ilora Finlay of Llandaff and Mr. Stephen Jones be appointed as co-opted governors for terms commencing on 8 February 2012 and ending on 31 July 2014;
- .2 Mrs. Monnaza Hassan, Baroness Ilora Finlay and Mr. Stephen Jones be appointed as members of the Human Resources Committee from 8 February 2012 in place of Dr Peter Easy and the Rev. Canon Robin Morrison;
- .3 Mrs. Helen Cunningham be appointed as an external co-opted member of the Audit Committee for the period 8 February 2012 to 31 July 2012;
- .4 subject to his agreement, the Rev. Robin Morrison be appointed as a member of the Stakeholder Forum's Membership Selection Panel.

**1316. Other Business**

.1 Pro Vice-Chancellor (Research)

The opportunity was taken to advise members of notice of resignation received from Professor Robert Brown, Pro Vice-Chancellor (Research). Members were advised that a contractual period of three months' notice applied and that options were being considered for the filling of the Level 2 vacancy created by this resignation.