

Northeastern London Board of Governors

18 October 2023

16.00 – 18.00 (GMT) / 11:00am – 1:00pm (EST)

Hybrid online/face to face meeting

Minutes

NOTE:

Members are reminded that any conflict or potential conflict of interest should be declared to the Chair and the member involved will be asked to withdraw whilst that item is being discussed.

INVITED GUESTS:

AC Grayling, Founder and Principal (ACG)

James Heard, NUSU President - Student Representative

Camille Kluttz-Leach, Secretary

Martin Smith, Assistant Vice President for Recruitment and Marketing for Global Campuses

Dr. Scott Wildman, Dean of Northeastern University London

1. Attendance and apologies

1.1. Attendance:

Governors

Dr. Gregory Abowd (GA)

Julietta Dexter (JD)

Rob Farquharson (CEO)

Thomas Nedell (TN, Chair)

Patricia Wood (PW)

Guests in Attendance

A C Grayling, Founder and Principal (ACG)

Dr. Camille Kluttz-Leach (CLKL), Board Secretary

Martin Smith (Assistant Vice President for Recruitment and Marketing for Global Campuses (AVP)

Dr. Scott Wildman, Academic Dean (SW)

James Heard (JH), Student Representative

Guy Biggin, External Auditor (Crow)

1.2. Apologies:

Darren Campili (DC)

Jonnie Goodwin (JG)

Diane MacGillivray (DM)

1.3. Notice of meeting:

1.3.1. Notice of this meeting had been given to all Governors.

1.3.2. All the Governors present confirmed that they had no personal interests to disclose matters to be transacted in the meeting in accordance with sections 177 or 182 of the 2006 Act and the Company's articles of association.

1.3.3. A quorum was established and present throughout the meeting.

2. Approval of Minutes

APPROVED: The minutes of the July 6, 2023 meeting are APPROVED

3. Matters Arising

3.1. The matters arising from the previous Board meetings are all completed.

4. Chairs Action

4.1. The Chair indicated that there were no actions to report.

4.2. Chair Nedell followed up on a prior question regarding whether staff was paid the Living Wage. He reported that they were.

5. Update from Dean

5.1. The Dean updated the Board on academic matters.

5.2. Learning and teaching focus is on experiential learning and engaging with an Executive in Residence, Cyril Martinez. He brings a wealth of experience in business and finance.

5.3. Redacted – restricted information.

5.4. Ofsted conducted a full inspection of the apprenticeship and digital bootcamp provision. There is a four point grading scale. The University received “Good” across all areas. This result is externally embargoed at the moment but this is the best possible outcome considering the status of students as none have completed their programme. It reflects the well run nature of the apprenticeship provision.

5.5. The Teaching and Excellence Framework received a “Bronze” rating which again was in line with expectations.

5.6. In the National Student Survey the University performed above the sector average in 6 out of 9 categories. In the other three areas there is an enhancement plan to improve areas such as communications with students, and learning resources.

5.7. Research activity continues to increase. UKRI funding remains an active goal.

5.8. Redacted – restricted information

5.9. As it now has PhD provision NU London is eligible for funding from Horizon Europe. This opens the opportunity for funding opportunities for both London and Boston and is the largest funding source in the world. SW is collaborating with David Luzzi to communicate and collaborate with the Boston campus as co-applicants. The goal is to seek multi-disciplinary activities.

5.10. Redacted – restricted information

5.11. AG offered congratulatory comments to SW on the improved academic performance.

6. CEO Update

6.1. Operations update

6.1.1. RF shared that the staff has moved into the space at Marble Quay since the last Board meeting.

6.1.2. The team has also occupied Moretown. This space mostly houses the PhD students, Network Science team and Human Resources, but it is available for faculty and staff.

- 6.1.3. Work is ongoing on the planning and legal aspects for the Portsoken leased space (100,000 sq. ft.). The plan is to have some of the space activated for September 2024 and the rest of September 2025. This is ongoing.
- 6.1.4. RF is working with Kathy Spiegelman and team for the design and renovation for Portsoken.
- 6.1.5. HR team is coming in November to start planning for a replacement of People HR with Workday.
- 6.1.6. Faculty have been provided with laptops and hardware rather than using their own devices as part of the IT upgrade projects.
- 6.1.7. Residence life is fully staffed at the 6 student accommodation locations that serve over 800 students. Teams are working to strengthen relationships between the Boston and London campuses for student services and support. Continue to build relationships with all mobility campuses.
- 6.1.8. The team continues to focus on delivering services across students, faculty, and staff to support the enterprise, including work-life balance activities.

6.2. Governance / Regulatory update

RF then covered the governance/regulatory update.

- 6.2.1. Quality Standards update: Board noted the Quarterly Quality Report. No concerns were raised.
- 6.2.2. RF presented the Draft Prevent Return and there were no objections to sanctioning the CEO to submit to the OfS based on this draft.

ACTION: Prevent Return to be submitted by CEO once finalised

- 6.2.3. Governance Review. RF reviewed the findings of the governance review and described the proposed plan of action for each item. There are no compliance concerns. The primary goal will be to draft a Code of Governance. Updates on progress will be presented at future meetings. The Board agreed to the action plan as presented.

ACTION: Governance Action Plan is APPROVED and ADOPTED

6.3.

6.3.1. RF reviewed the draft Risk Register and how the university would mitigate any key items. He noted the key potential areas of concern such as human resources/union, student recruitment/enrollment management, reputational and financial (accidents). On the employee side there was a move to implement more structured orientations and the setting of expectations in the interview process to assist with employee retention. He indicated the likelihood of more employee claims based on the number of employees but added that the team was working closely with OGC on mitigating any risks. The University is also implementing staff exit interviews to identify risks and help with the mitigation plan in that area. Overall having the Global network is a source of resilience and acts as a mitigating factor within itself. On a practical point he noted that the impact scale had not moved and should be adjusted upward now that NU London is a larger and more sophisticated operation. TW advised that she would review them.

ACTION: Risk Register is APPROVED and ADOPTED and TW agreed to review scale for the Risk Register.

7. AVP Update

7.1. Marketing / Recruitment / Admissions update

7.1.1. The AVP reported that the enrolment targets are trending in a positive direction and that London remains very popular with the mobility students.

7.2. Redacted – restricted information.

7.3. He reported that the apprenticeship numbers and overall enrolment forecast is positive, and he thinks the online offerings will help with the enrolment yield.

8. Other business (open agenda).

8.1. The Chair called on James Heard, student representative, to share the current information on behalf of students in London. James reported the biggest welcome week ever with over 1000 students at events. The Welcome Ball had 500 students in attendance. His team is working closely with SGA Boston and

Oakland to build connectivity between the societies and student groups. Fifteen societies have been connected and engaged. The number of societies in London has doubled to 27. The sport offerings have increased from 2 to 7 sports, with both male and female football (soccer) and volleyball. He is working with campus leaders on new student spaces in Portsoken and planning Welcome Back Week for January 2024. The Chair thanked the student representative for his report.

8.2. There being no other business the Chair declared the open agenda had been covered and that the reserved agenda would now be covered.

9. The date of the next meeting was noted as January 17, 2024.

Reserved Agenda

10. CEO financial update

10.1. Redacted – restricted information

10.2. External factors for FY24 include the disruption over the winter from industrial action, current wave of rail strikes continuing, and possible Tube strikes, impacting student and staff travel with extra costs incurred and increased absence.

10.3. FY24 Reforecast process: The primary review areas in preparing this draft forecast were as follows:

- Recalculation of income to take account actual student enrolments as at the start of October 2023 along with estimates for Spring 2024.
- Recalculation of staffing costs based on contracts and active vacancies in place by October 2023, as well as estimates of cost for upcoming provision (such as Spring Mobility).
- Recalculation of all non-pay costs. Information provided by Budget holders of in-year expenditure variances as at September/October 2023.
- This information sets out a balanced assessment of the financial position of the University both from the perspective of NU London as a standalone English HEI and then through its contractual relationships taking into account the delivery of Northeastern programmes in London.

ACTION: The FY24 Reforecast is APPROVED

11. HR Update:

The CEO indicated that there are a number of recruitment activities happening to ensure adequate faculty and staff to support the students. More activities will be done in time for January 2024. The major initiative is to build visibility and cohesiveness for those involved in the recruitment process.

12. Other Business

12.1. Guy Biggin (Crowe) is the External Auditor Partner and he joined the meeting to review and provide an overview of the audit process for financial statements. He noted the key highlights, which included management override controls because these are judgement calls that impact assets. These include restitution provision that takes into consideration the additional costs for returning spaces to agreed condition and assumptions behind the lease agreements (re-decoration clause, etc.). Additionally, journal entries are also a key risk for the Board to be cognisant of as they move numbers and can lead to an inaccurate presentation of your performance by overrepresentation income. He also highlighted other potential areas of significant risks (e.g., income, tuition and fees, ESFA funding, and program fees).

12.2. He reminded the board to ensure oversight and understanding of the next 12 month period and to look at assumptions behind the assessment and conduct scenario planning. Mr. Biggin also reviewed how grants are accounted for in the financial statements and fixed assets. He noted that payroll accounts for 35% of total expenditure, and recommended onboarding and offboarding staff and conducting samples of HR records. He indicated that there are a number of additional disclosures this year and few more comments. He expects nothing material and no material changes after a review with Vanessa Carreras to ensure technical compliance.

12.3. Mr. Biggin reviewed related parties' disclosure, 3.9 and Appendix 1 adjustments and reclassifications. He thanked Ms. Carreras for her collaboration and timely responses. RF also thanked Ms. Carreras and team for completing the journal and thanked Crowe for their work and understanding (noting the length of the relationship and familiarity of operations)

ACTION: To AUTHORISE and APPROVE ROBERT FARQUHARSON (CEO) and PATRICIA WOOD (Chief Audit Executive) to sign financial statements upon completion.

12.4. There being no other business the Chair declared the meeting adjourned with thanks and appreciation to the board and staff at 5:38pm.