

**TEESSIDE UNIVERSITY  
BOARD OF GOVERNORS**

**The Annual General Meeting of the Board of Governors was held on 16 November 2018.**

**Present:** Mr A MacColl (Chair) Mr R Bloom  
Mr P Booth OBE Ms A Burns  
Professor P Croney Mr J Cross  
Mr D Cooley Mr R Cuffe  
Mr C J Fleetwood Mrs M Grieves  
Mr J Hogg Mr T Platt  
Mr A Richardson Mr D Russell  
Mr S R Tonks

**Apologies:** Dr J Atkinson Professor P Jones  
Ms S Khan Ms S Kiddle  
Ms S McArdle Mrs H Page  
Mr I Wardle Mr G Worsdale OBE

**Officers:** Ms J Amos Dr D Bell  
Mrs H Cutting (Secretary) Professor S Hodgson  
Mr M Page Professor M Simpson  
Mrs S Thompson (Asst Secretary)

**Apologies:** Professor J Turner

**TU 3440 COMMITTEE ANNUAL REPORTS**

It was **NOTED:**

1. That Members have received the Annual Reports for the following committees:
  - 1.1 Audit Committee (TU 3313 refers)
  - 1.2 Resources Committee
  - 1.3 People and Organisational Development Committee
  - 1.4 Remuneration Committee
2. That the Annual Reports are intended to provide assurance to the Board that each Committee is fulfilling its remit.
3. That Members have been provided with revised Terms of Reference relating to the Remuneration Committee.

It was **AGREED:**

3. To approve the Remuneration Committee Terms of Reference.

**TU 3441 ANNUAL REPORTS AND ACCOUNTS (SUBSIDIARY COMPANIES)  
2017-2018**

It was **NOTED**:

1. That the Statement of Accounts of the University's Subsidiary Companies, and the associated Directors' Reports relating to the financial year 2017-18, have been approved by the respective Boards of Directors and are presented to the Board of Governors.
2. That the Audit Committee of 6 November 2018, recommended to the Board the Accounts of these Subsidiary Companies.
3. That the External Auditors noted no significant deficiencies in the financial reporting systems or material mis-statements and no areas of risk which need to be drawn to the attention of the Board in relation to the subsidiary entities.

It was **AGREED**:

4. To accept the 2017-18 Statements of Accounts (and note the associated Directors' Reports) of the following subsidiary companies, as an appropriate basis for consolidation into the University's Annual Report and Financial Statements 2017-18:
  - 4.1 TEESNAP Ltd
  - 4.2 University of Teesside Enterprises Ltd (UTEL).
  - 4.3 Teesside Sports Injury Centre Ltd

**TU 3442 ANNUAL REPORT AND FINANCIAL STATEMENTS 2016-2017**

It was **NOTED**:

1. That Members have been presented with the University's Annual Report and Financial Statements, for the period from 1 August 2017 to 31 July 2018.
2. That the Audit Committee considered these statements at its meeting held on 6 November 2018.
3. That a report on the Statements was also considered by the Resources Committee at its meeting held on 2 November 2018.
3. That the excellent financial results for 2017/18 is a significant achievement for the University, given the current challenging environment.
4. That the Chair of the Audit Committee relayed the Committee's congratulations to the University on the positive progress and improvement relating to the financial statements.

It was **AGREED**:

5. To approve the 2017/18 Annual Report and Financial Statements, and also approve their submission to Office for Students, subject to any minor amendments.

#### **TU 3443 LETTER OF REPRESENTATION – TEESSIDE UNIVERSITY**

It was **NOTED**:

1. That Members have received the Letter of Representation for the external audit of the Group and University financial statements of Teesside University for the year ended 31 July 2018.
2. That these financial statements comprise the Group and University balance sheets as at 31 July 2018, the Group and University Statements of Comprehensive Income; the Group and University Statements of Changes in Reserves; the Group and University Statements of cash flows, and notes, comprising a summary of significance policies and other explanatory notes.

It was **AGREED**:

3. To approve the Letter of Representation.

#### **TU 3444 REPORT FROM EXTERNAL AUDITORS ON THE 2017 AUDIT**

It was **NOTED**:

1. That the University's external Auditors, KPMG, have substantially completed their audit of the University and its UK-based subsidiaries for the year ended 31 July 2018.
2. That the report was presented by KPMG, and considered in detail, by the Audit Committee at its meeting of 6 November 2018.
3. That there were no significant changes to the Audit Plan and Strategy previously considered by the Audit Committee at its meeting of 23 April 2018.
4. That, it is pleasing to note that the University has, again, received a clean and positive external audit opinion.

#### **TU 3445 ANNUAL RISK & ASSURANCE REPORT**

It was **NOTED**:

1. That Members have been provided with evidence to enabled them to consider the Statement of Corporate Governance and Internal Control included in the Annual Report and Financial Statements 2017-18.

2. That the report provides a summary of the key risk and assurance activities that have been undertaken in 2017-18 and includes:
  - Risk Management Framework
  - Strategic Risk Register
  - Assurance Framework
  - Operational Risk Registers
  - Internal Audit Review
  - Business Assurance Reviews
  - Data Assurance
3. That the report (and associated evidence) has been considered at the meeting of the Audit Committee held on 6 November 2018.

It was **AGREED**:

4. That the report had enabled Members to approve the Statement of Corporate Governance and Internal Control included in the Annual Report and Financial Statements 2017-18.

#### **TU 3446 ANNUAL REPORT OF THE AUDIT COMMITTEE**

It was **NOTED**:

1. That the Audit Committee has presented its Annual Report to the Board of Governors, and the Vice-Chancellor, prior to submission to the Office for Students, as part of the Annual Accountability Return.
2. That the Annual Audit Report outlines the basis for the Committee's decision, that it is satisfied that the University is properly financially managed.
3. That the Report confirms that the University is properly financially managed and has effective arrangements in place:
  - for Risk Management, Internal Control and Governance
  - to promote economy, efficiency and effectiveness across all University activities; and
  - for data submitted to HESA, the Student Loans Company, Office for Students, and other bodies.

It was **AGREED**:

4. To approve the Annual Report of the Audit Committee for submission to the Office for Students, as part of the Annual Accountability Return.

**TU 3447 ANNUAL ASSURANCE RETURN**

It was **NOTED**:

1. That Members have been provided with the Annual Assurance Return to the Office for Students, confirming that the Institution has met its requirements of the Terms and Conditions of Funding for Higher Education Institutions, and that the Institution is complying with its duties as a charity.
2. That assurance relating to data quality has been provided to the Audit Committee.

It was **AGREED**:

3. To approve the Annual Assurance Return for submission, by the Vice-Chancellor, to the Office for Students.

**TU 3448 OFFICE FOR STUDENTS ACCOUNTABILITY RETURN 2017/18 – Financial Commentary (to OfS)**

It was **NOTED**:

1. That the Financial Commentary to be submitted to the Office for Students explains the material changes from the forecast outturn submitted in July 2018 for 2017-18.
2. That material changes between the July 2018 forecasts and the actual outturn for 2017/18 have been identified as variances in excess of £1million or 10% and the commentary explains the reason for these variances.
3. That the report was considered by the Resources Committee, at its meeting of 2 November 2018, and recommended to the Board for approval.

It was **AGREED**:

4. To approve the 2018 Financial Commentary for submission to the Office for Students.

**TU 3448 REPORT FROM AUDIT COMMITTEE - 6 November 2018**

It was **NOTED**:

1. That, at its meeting on 6 November 2017, the Committee considered:
  - 1.1 Annual Internal Audit Report 2017/18
  - 1.2 Annual Value for Money Report 2017/18
  - 1.3 Annual Risk and Assurance Report 2017/18
  - 1.4 Annual Fraud Report 2017/18
  - 1.5 Annual Report of the Audit committee 2017/18 for submission to the OfS
  - 1.6 Annual Report and Accounts 2017/18

- 1.7 Prevent Monitoring & Annual Data Return 2017/18
- 1.8 Modern Slavery Policy & Modern Slavery Human Trafficking Statement
- 1.8 Risk C – “Failure to optimise third stream income through diversification, commercialisation and agility to respond to opportunities”
- 1.9 Assurance Framework Update 2018/19
- 1.10 Risk and control Assurance Update No 2
- 1.11 Internal Audit Report: Payroll
- 1.12 Risk Management 2018/19
- 1.13 Information Governance Update No 2
- 1.14 Internal and External Audit Recommendations
- 1.15 International Compliance Update No 2

#### **TU 3449 PREVENT – ANNUAL MONITORING AND DATA RETURN**

It was **NOTED**:

1. That the Prevent Monitoring Framework has changed, with providers now required to submit a revised annual accountability and data return.
2. That the accountability elements contains a declaration and supporting statement on behalf of the governing body that the University is complying with its responsibilities under Prevent.
3. That the data return has been revised for the 2017/18 return and now requests broader information relating to welfare cases, alongside data on training and events/external speakers.

It was **AGREED**:

4. To approve the Prevent Accountability and Data Return for submission to the Office for Students.

#### **TU 3450 ANNUAL STATEMENT OF PENSION FUNDS**

It was **NOTED**:

1. That Members have been provided with an Annual Statement of Pension Funds for the year ended 31 July 2018, which was also considered at the meeting of the Resources Committee on 2 November 2018.
2. That the University has commissioned KPMG to undertake a review of the University’s pension arrangements and that the University is now concluding its view on this work with a further report being presented to the Resources Committee at its next meeting.

#### **TU 3451 ANNUAL VALUE FOR MONEY REPORT (VFM) 2017/18**

It was **NOTED**:

1. That the Annual Value for Money Report informs Members of the arrangements that were in place during 2017/18 to ensure that the University provided VFM across the full range of its activities and to provide assurance that there are adequate VFM systems in operation to promote economy, efficiency and effectiveness of these activities.
2. That the report also enables the Audit Committee to fulfil its requirements under the Terms and Conditions of Funding for higher education institutions (Office for Students 'OfS' and Research England) which requires the Committee to relay its view of the adequacy and effectiveness of the arrangements for economy, efficiency and effectiveness (VFM) to the Board.
3. That the report also confirms that the University is no longer required to submit a value for money return to Office for Students which is a change from the guidance set out in Regulatory Notice 2 (OfS 2018.12).