

**COU13D035**

**Title:** University Campus Suffolk  
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### **Issue**

Council has been supportive of the aspiration of University Campus Suffolk (UCS, our joint venture with the University of Essex) to become an autonomous higher education institution (HEI) with taught degree awarding powers (TDAP) and a change to University Title (UT), in all probability to the University of Suffolk.

### **Recommendation**

Council is recommended to note this report.

### **Resource Implications**

The University currently receives £375k pa as a recharge for validating UCS degrees. This will cease over a timescale to be negotiated.

### **Risk Implications**

The banks have agreed to release UEA and the University of Essex from the £18m bank guarantees they are providing to UCS, given that the two Universities will no longer have any authority over the conduct of UCS affairs once it is an autonomous institution. This is subject to a charge over a building which is being negotiated. This reduces risk to the University.

### **Equality and Diversity**

N/A

### **Timing of decisions**

It is anticipated that the Quality Assurance Agency (QAA) will consider UCS's application for TDAP and UT in 2014/15. QAA approval is the key step in securing Privy Council approval to TDAP and UT and the ability to be directly funded by the Higher Education Funding Council for England (HEFCE).

### **Further Information**

Further information is available from the Registrar and Secretary, Mr Brian Summers, tel. 01603 592208, email [b.summers@uea.ac.uk](mailto:b.summers@uea.ac.uk).

Previous Council references: Council 27 June 2011 (COU10D063 as part of Vice-Chancellor's "Strategic Stock-Taking" report) and Minute \*78 (COU10M007); Council 15 October 2012 (COU12D003 as part of Vice-Chancellor's "Strategic Stock-Taking" report) and Minute \*6 (COU12M001), Council 19 November 2012 (COU12D026) and Minute \*30 (COU12M002), Council 14 October 2013 (COU13D004 as part of Vice-Chancellor's "Strategic

Stock-Taking” report) and Minute \*7 (COU13M002) and (COU13D005) and Minute \*8 (COU13M002), Council 18 November 2013 (Oral report) and Minute \*27 (COU13M003).

## **Discussion**

Granting of TDAP and UT are closely linked processes and largely conducted by the QAA, but with final approval by the Privy Council. The QAA exercise is based on a critical self-evaluation document provided by the Institution and an Institutional visit or “inspection” by the QAA. The key criteria to be satisfied are:

- effective governance, with clear and appropriate lines of accountability;
- financially sound management;
- a demonstrably appropriate and effective framework to govern the award of higher education qualifications and to secure academic standards;
- capacity to promote strengths and to identify and respond to limitations;
- a competent cadre of teaching staff who can facilitate learning, and undertake assessment at an appropriate level
- effective mechanisms for support of students including teaching and learning infrastructure.

UCS has submitted its self-evaluation document and the hoped for time table is:

- 8<sup>th</sup> May 2014 - TDAP application submitted to ACDAP Committee
- 15<sup>th</sup> May 2014 – Initial feedback from the committee (usually within one week)
- October 2014 – If initial outcome is successful the scrutiny period will start at the beginning of the Academic year
- October 2015 – The scrutiny period is expected to last around one year
- Following this a recommendation will go back to ACDAP and the Privy Council
- The awarding of University Title is estimated at 3 months following the grant of TDAP (via Privy Council)

## **UCS Governance**

The Governance structure of UCS as originally conceived is (as HEFCE desired) innovative, possibly unique. It is a charitable company with two members (UEA and the University of Essex) with a modestly sized board (11) with the majority of members from the two Universities.

It operates under company law without the benefit or encumbrance of the statutes and ordinances which the main stream universities have. It has the title “University” granted under company legislation rather than higher education legislation and its degrees are validated by the two Universities jointly. It is designated as a connected institution which enables it to receive funding via UEA, but not directly from HEFCE.

This “innovative” structure whilst arguably a quick and efficient way of setting up a new institution has led to difficulties for UCS, particularly overseas, as it does not appear in any league tables, does not award the degrees of a single institution and is denied access to some income streams. The main marketing problem is prospective students are uncertain as to the status of UCS – essentially, is it a university or not?

We are managing the transition to a structure which is more familiar and recognisable to the QAA in a way which protects the interests of the two Universities whilst they have financial responsibilities for UCS. We are maintaining the company structure with the current two members, but expanding the board of directors to meet the governance model set out in section 7A of the 1988 Education Reform Act. We have strengthened the financial memorandum which governs the passage of funds from UEA to UCS to require that the UCS Board does not budget for or deliver a deficit, or undertake any further borrowing without the approval of the two Universities.

There is no longer a requirement for the Universities to have representation on the Board, but two independent members of the University Councils, the two Registrar's and our own Vice-Chancellor (as Chair of the UCS Board) remain in membership for the time being. The current membership is:

<b>Edward Acton</b>	Vice Chancellor, University of East Anglia
<b>Richard Lister</b>	Provost and Chief Executive, UCS
<b>Celia Edey</b>	Treasurer and Chairman of Audit and Risk Management Committee, University of Essex
<b>David Edwards</b>	Member of Council, UEA, Chairman of Cambridgeshire and Peterborough Foundation Trust, an NHS provider of Mental Health, Learning Disabilities and Community Child Health Services
<b>Deborah Cadman</b>	CE Suffolk County Council
<b>Nikos Savvas</b>	Principal, West Suffolk College
<b>Bryn Morris</b>	Registrar & Secretary, University of Essex
<b>Brian Summers</b>	Registrar & Secretary, UEA
<b>Ben Adofo</b>	President (Education & Engagement) at UCS Student's Union
<b>Russell Williams</b>	Chief Executive, Ipswich Borough Council
<b>Erika Clegg</b>	Co-founder and creative head of Spring (communications design agency in Southwold)
<b>Paul Clement</b>	Chief Executive, Ipswich Central (Business Improvement District (BID) company for the Town Centre)
<b>Fiona Hotston Moore</b>	Tax and Business Advisory Partner and Head of Business Development at Chartered Accountants Reeve
<b>Mark Pendleton</b>	Group Director, Anglian Water
<b>William Pope</b>	CEO and commercial co-founder of Microbial Solutions
<b>Paul Winter</b>	Chief Executive of Ipswich Building Society
<b>Penny Cavanagh</b>	Dean of Academic Affairs, UCS

Professor Acton will stand down from the UCS Board on his retirement from the University. The Board is currently going through the process of seeking a successor, in all probability from amongst its current members. Once the Universities are released from any financial responsibility for UCS (the bank guarantees and accountability to HEFCE) the Universities will retire from members of the company to be replaced by the current Board Members – who will then be both members and trustees of the charitable company.

## **Financial Issues**

UCS has largely completed a process of restructuring to contain costs. The forecast surplus for the current year prior to exceptional items is £220k. The savings generated by the restructuring project will secure a sound financial platform for the Institution going forward.

The bank has agreed to release the Universities from the existing loan guarantees and the completion of this awaits only an agreement on a legal charge over one of the UCS buildings.

UEA and Essex currently recharge UCS for validation services (£375k pa to each University). Awarding its own degrees should reduce costs to UCS although, in the first few years, only if the Universities take a reasonably benevolent approach to charges while “seeing out” the remaining students who are entitled to joint degrees and decline to convert to a University of Suffolk degree. We would wish to be helpful in those circumstances but it will have some financial impact.

## **Provost**

Professor Mike Saks stood down from the role of Provost last summer and the position has been taken up by the Deputy Provost, Richard Lister, at least until August 2015..

## **Attachments**

There are no attachments.