

ROYAL WELSH COLLEGE OF MUSIC AND DRAMA LTD
COLEG BRENHINOL CERDD A DRAMA CYMRU CYF

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD ON 3 APRIL 2017 AT 2.00 PM

Present: Mark Taylor (Chair)
Hilary Boulding (Principal)
Jon Frost
Clare Hudson
Michael Lowe (SU President)
Jemma Terry

William Callaway (Company Secretary)

In Attendance: Scott Allin, Dr John Cranmer, Sean Crowley,
Brian Weir, Stephanie Williams

Apologies: Professor Julie Lydon (Vice Chancellor)

PRELIMINARIES

As the Board was currently without a permanent Chair, directors were asked to nominate a director to Chair the meeting. Mark Taylor was nominated to act as Chair and the directors agreed to this.

Directors were informed that sadly, the Vice Chancellor's father had passed away earlier in the day. The meeting was therefore not quorate but should any decisions be required, an email would be sent to the Vice Chancellor following the meeting requesting her feedback.

The Board was informed that Brian Weir, Head of Student Experience, had been elected as the new staff director in the category 'one member of staff elected by the whole staff'. He had been invited to attend today's meeting and would be formally appointed by the end of the week. Also, although not a member of the RWCMD Board sub group, he would in future receive copies of the papers for information, be copied into relevant correspondence and be welcome to attend the meetings if he so wished, as was the case for the other directors of the Board.

DECLARATIONS OF INTEREST

General and specific declarations relating to the relationship between the USW and RWCMD and the papers to be considered at this meeting in particular were made by all directors who were USW governors and members of staff, and directors who were employed by the College and the RWCMD Students' Union.

Jemma Terry declared an interest in respect of her company, Odgers Berndtson, which had carried out work for the University of South Wales and other universities.

1. MINUTES

1.1 Minutes of Meeting held on 23 January 2017

The Board received the minutes of the meeting held on 23 January 2017. The Board APPROVED the minutes, subject to the Vice Chancellor's agreement.

1.2 Matters Arising from the Minutes of 23 January 2017

There were no matters arising from the Minutes that had not been covered on the agenda.

2. CHAIR AND NON-EXECUTIVE DIRECTORS

- 2.1 The Board received an update on the appointment of the Chair and non-executive directors. The Company Secretary reported that College staff had been briefed via email on 6 March on the processes for the appointment of the Chair and Principal. The staff had been asked to channel any comments or suggestions for the Board through the Company Secretary. Staff would be regularly updated on these matters.

The Company Secretary reported that Odgers, the search agents, had been provided with relevant information on the College and a list of key people for them to approach had been agreed. Odgers would visit the College on 7 April and meet with a number of people on the list, including the Principal and the Chair of the USW Board at his Cardiff offices. They would also be given a tour of the College.

Earlier in the day, the sub group had considered whether Odgers' list was appropriate in terms of people to be contacted by the search agents for the Principal. The group had felt that the list was not comprehensive enough as it stood and lacked external stakeholders with links to large arts organisations in Wales. Some useful suggestions had been made regarding additional external stakeholders from large arts organisations to be added to the list as possible advisers. The lists for both search agents would be shared with the Board.

The Company Secretary reported that it was hoped that a Chair could be appointed by the end of May or early June.

3. APPOINTMENT OF PRINCIPAL

- 3.1 The Board received an update on the appointment of a new Principal. The Company Secretary reported that interviews with prospective search agents for the appointment of the Principal were undertaken on 8 March and Saxton Bampfylde had subsequently been appointed.
- 3.2 The Company Secretary had been corresponding with Stephen Bampfylde (Executive Chairman) and had scheduled a telephone conversation with Dr Jennifer Barnes (Partner) on Tuesday 4 April to discuss the timetable and key milestones for the process.
- 3.5 It was reported that during the preparatory stages of the search, Saxton Bampfylde would be consulting with key stakeholder groups in order to understand the priorities for the role, expectations of the person appointed and key opportunities for the organisation.
- 3.6 It had been arranged for both Saxton Bampfylde consultants to visit RWCMD on Thursday 27 April to meet with the Company Secretary, Vice Principal Resources and Director of HR. It was noted that the Principal had a prior engagement that could not be moved and would therefore meet with one of the consultants at their offices, on Thursday 6 April, whilst on a business trip to London.
- 3.7 At the sub group meeting earlier in the day, the Principal had raised a concern regarding the timescales relating to the appointment, noting the lateness of Saxton Bampfylde's visit to the College (27 April). The Company Secretary explained that this was the only time that both consultants could visit the College together and as each consultant brought different experience (Stephen Bampfylde – search; and Dr Jennifer Barnes – conservatoire sector) it was considered to be the best option. However, he would investigate whether there was any way that these meetings could be undertaken more quickly and would circulate suggestions to the sub group after the meeting.
- 3.8 The Company Secretary reported that he had received an email from the Head of Academic Services at the College regarding the possibility of representatives of the RWCMD Academic Board meeting with Saxton Bampfylde when they visited on 27 April.

The sub group had agreed that they would be content for this to happen and the Company Secretary would inform the Head of Academic Services.

4. REPORT FROM PRINCIPAL

4.1 Report from the Principal

The Board received a report from the Principal which covered a number of issues including the following strategic issues: Lord Murphy's review of Conservatoire and related performing arts provision in Wales; HEFCW funding for 2016/17; Teaching Excellence Framework/Student Loans/Highly Trusted Sponsor status; and UCAS Conservatoires application system (formerly CUKAS). The report also contained details of Academic matters; and Student successes and employment. The Principal highlighted the following in particular:

4.1.1 Recruitment for 2017/18 cycle

Recruitment patterns looked similar to previous years and appeared to be broadly on course to hit target.

4.1.2 Royal Welsh College Opera School

The Principal reported that in February, the College had launched a fully integrated international opera school, in association with Welsh National Opera. It was noted that in partnership, the RWCMD and WNO would provide an opera training school that would enable emerging artists to train alongside some of the leading figures in opera today. It was reported that the WNO and the College had worked closely together for many years, but this project symbolised a formal commitment to the relationship.

4.2 Royal Schools of Drama (RSD) Awards

The Board received and considered a business plan for the creation of the Royal Schools of Drama Limited and the launch of the RSD Award. It was noted that since 2013, three of the Royal Schools of Drama (RWCMD, the Royal Conservatoire of Scotland and the Royal Central School of Speech and Drama) had been investigating the potential for a new drama qualification – the Royal Schools of Drama (RSD) Awards.

Members referred to the Business Plan and noted that the Executive Summary outlined a series of recommendations which were discussed by the executive teams of the three colleges on 1 March 2017. The Board noted details of six recommendations which had been endorsed by the College Principal and SMT. It was noted that one of these recommendations would be to seek investment of £145,388 to meet the costs of the Limited Launch. Another recommendation involved approaching RADA, which had not as yet been involved in the proposals.

It was noted that the financial projections using the 'top price' model indicated that the new venture would make a loss in years 0 and 1 followed by a small surplus in year 2 and then generate larger surpluses in year 3 onwards to be shared by the founding members. No further funding was being sought from the founding members and the losses would be covered by fundraising. The Principal was asked if the fundraising of the £145K was achievable and she advised that it was and that the timetable would simply be modified in order to provide an extended period for the fundraising if it were required.

Subject to the Vice Chancellor's agreement, the Board unanimously APPROVED phase 1 of the RSD proposal (subject to achieving the £145k). The Vice Chancellor would also be asked to raise any questions she may have on the proposal with the Principal.

5. STUDENTS' UNION BUDGET

- 5.1 The Board received for information the Students' Union accounts for the financial year up to 28 February 2017. It was noted that the year-end financial outturn was expected to exceed the budgeted figures.

6. STUDENT FEES

- 6.1 The Board received and considered a proposal for student fees for 2018/19. Subject to the Vice Chancellor's agreement, the Board AGREED the following recommendations:

- a) K£9 for all Home/EU undergraduates fees;
- b) overseas fees to be increased by 3% from 2018/19;
- c) postgraduate fees to be increased by 3% from 2018/19;
- d) the annual fee for 2-year postgraduate music courses to be increased by 50% less 5% in two equal stages, the first to be implemented for 2018/19;
- e) all continuing fees will be increased by 3% from September 2017.

7. EXTERNAL AUDIT

- 7.1 The Board received a report on the performance of the External Auditors in 2016/2017 as considered by the Audit Committee on 30 January 2017. It was concluded that overall, the external auditors' performance was satisfactory for the financial year ended 31 July 2016 and on the basis of this performance and the audit fees, it was recommended by the Audit Committee that PWC be reappointed as external auditors for 2016/17. This was subsequently approved by the Board of Governors on 13 March 2017.

8. SCHEDULE OF MEETINGS FOR BOARD OF DIRECTORS IN 2017/18

- 8.1 The Board received the schedule of Directors' meetings for 2017/2018. It was noted that the Away Day and Board meeting in September should be at 10.00 am (not 2.00 pm) and the Board meeting in October should be at 2.00 pm (not 10.00 am). The Board APPROVED the following schedule of meetings:

Monday 4 September 2017 at 10.00 am RWCMD Board Away Day and Board

Monday 23 October 2017 at 2.00 pm RWCMD Board

Monday 22 January 2018 at 2.00 pm RWCMD Board

Monday 9 April 2018 at 2.00 pm RWCMD Board

Monday 18 June 2018 at 2.00 pm RWCMD Board

9. RISK REGISTER

- 9.1 The Board considered the College's updated risk register, which had also been considered by the Audit Committee at its meeting on 27 March 2017. It was reported that the Audit Committee had previously raised the issue of the high residual impact and likelihood scores on a number of risks even after mitigation and had suggested that a general review was needed in light of the risk matrix. As an example, a director referred to risk 993, *Lack of appointment of permanent Chair of the Board* (residual likelihood score of 5) which suggested that it was highly likely that a Chair would *not* be appointed. It was also noted

that the College had previously twice failed to appoint a Chair and the risk should remain as 'red' until the process was complete.

9.2 It was noted that there may be criticism from the Audit Committee if the scoring was not reviewed and updated; however, under the current circumstances, the College considered the scoring to be appropriate as it stood.

9.3 Subject to the Vice Chancellor's agreement, the Board APPROVED the College's risk register.

TRUSTEE BUSINESS

10. TRUST FUNDS

10.1 Valuation of Trust Funds

The Board received a report on the valuation of Trust Funds as at 28 February 2017.

10.2 Endowment Funds – College's appetite for risk

The Board received and considered a report on the College's appetite for risk in respect of the management of its endowment funds. It was noted that the Board was last updated on the endowment management investment strategy in June 2016. The portfolio was managed by Brewin Dolphin and the Board noted its current value.

10.3 Subject to the Vice Chancellor's agreement, directors AGREED the following:

- i) that the Board was still comfortable with using Brewin Dolphin's risk category 6 and that the Statement of Investment Policy (SIP) noted in Annex A of the report was appropriate;
- ii) that a lead Director for investment and endowments should be appointed when the new Chair and Board had been assembled.

FOR INFORMATION

11. FINANCE REPORTS

11.1 Management accounts

The Board received the management accounts to 28 February 2017, including details of student numbers. The Board noted an improvement in the overall forecast outturn compared to the original deficit budget position.

The Chair noted the excellent increase in fundraising and asked that congratulations be passed on to all those responsible.

11.2 Development report

The Board received and noted a report on developments, including an update on new funds secured and applications and proposals for support that were currently under consideration. The Board noted the positive report.

12. HEALTH AND SAFETY MATTERS

12.1 Health and Safety Matters

The Board received a report on health and safety matters, including accident and incident reporting, an update on recent fire drills, Display Screen Equipment (DSE), H&S training, University Health and Safety Audit, Procedures and USW Health and Safety Committee.

12.2 Health and Safety Committee of 21 February 2017

The Board received and noted the minutes of the Health and Safety Committee held on 21 February 2017.

12.3 Safeguarding

The Board received and noted a report of the Safeguarding, Welfare and Prevent Group held on 14 March 2017.

13. REPORTS FROM COMMITTEES OF UNIVERSITY BOARD

The Board received and noted minutes from the following University Committees:

- Audit Committee held on 30 January 2017
- Finance and Resources Committee held on 27 February 2017 (report of matters considered)
- Human Resources Committee held on 6 February 2017
- Board of Governors held on 13 March 2017 (report of matters considered)

14. CONFIDENTIALITY

14.1 The Board agreed that the following papers received at the meeting gave rise to issues of confidentiality and should remain confidential for at least six months:

Item 4.1 [16/123]	Report from the Principal
Item 4.2 [16/141]	Royal Schools of Drama (RSD) Awards Business Plan
Item 9.1 [16/128]	Risk Register
Item 10.1 [16/129]	Report on Valuation of Trust Funds as at 28 February 2017
Item 10.2 [16/130]	Report on the College's appetite for risk
Item 11.1 [16/131]	Management Accounts to 28 February 2017
Item 11.2 [16/132]	Development report

The meeting ended at 3.30 pm