ANNUAL REPORT FROM THE BOARD OF GOVERNORS

The Annual Meeting at which Staff can respond to this report and ask questions of the Chairman and Vice-Chancellor will be held on Wednesday 15 December 2004 at 1100 in the Board Room, Richmond Building.

FROM THE CHAIRMAN

It is my pleasure to write this, my first annual report, having taken up post as Chairman of the Board of Governors following the retirement of Jim Lamb in October 2004. Under Jim’s chairmanship since 1999, the University has gained in stature, with 2004 being a particularly good year for new achievements.

Last year’s annual report focused on the introduction of the Strategic Plan 2004 - 2008. The 2003/2004 session has seen clear progress towards achieving the aims of that Plan. We have seen success in key areas:

- An excellent outcome from the QAA Institutional Audit.
- Achievement of funding for additional students from a variety of sources.
- A good outcome to the University’s bid to HEIF.
- The completion of the previous Capital Plan, culminating in the opening of the Richmond Building.
- Another year of excellent recruitment.
- Every Faculty continued in financial surplus and the University maintained its financial strength.
We have been delighted, in particular, with the outcome of the QAA Institutional Audit of which all staff can be proud. This confirmed the soundness of the University’s management of the quality of its programmes and quality, in all aspects of the University’s provision, lies at the heart of our success. At the March Board, Governors were pleased to see the ways in which faculties were seeking to respond to changes in market demand by developing a curriculum to attract new student markets, demonstrating the University’s commitment to meet student need and to make a positive impact in the region.

Again this year, the financial health of the University has been maintained. We have seen the completion of the Capital Plan 2004 and a new capital plan has been agreed. We all recognise the challenges that the introduction of tuition fees may bring and we need to hold on to our position of financial strength. We all play a part in that.

This year, work has continued in the development of the Human Resources Strategy in response to Government’s initiatives and requirements. The implementation of that Strategy, including the task of job evaluation, is a key priority in the coming year. Governors fully appreciate that the continuing success of the University is the result of the level of personal commitment shown by all staff in making the University of Portsmouth an institution of which we are all truly proud. The Board welcomed the recent proposal to pay a performance bonus to staff in recognition of that success.

Governors continue to monitor progress against the objectives of the Strategic Plan and will continue to receive a quarterly update at the Board on the University’s key operational measurements. Governors play an important constitutional role in the key decision making process of the University through active engagement at the Board and its Sub-Committees where it is essential to maintain a balanced representative view. The Board enjoys direct input from staff, through the Staff Governors and Staff representatives on its Committees, helping Governors to keep in touch with staff views. It was pleasing to note the overall satisfaction of staff in the recent Staff Survey - but the Board is not complacent, and will ensure that action is taken to address areas where the University needs to improve.

As I begin my first term of office of the Chairman of the Board, I am pleased to report on behalf of the Board our delight with the progress of the University in development of the new Plan. You have done well. The next year brings with it challenges and opportunities for us to continue our success, working together to meet our shared strategic objectives. I am sure that 2005 will be another good year and I wish you well in all your endeavours.

Phillip Webb
Chairman of the Board of Governors
FROM THE VICE-CHANCELLOR

The Annual Report from Governors to the University has a dual function. We look back at the past year and we look forward to issues that face us in the coming months.

THE PAST YEAR

Statistics on student recruitment in 2003 and our financial results confirm that last year saw many successes. We were very successful in the QAA Audit and the FE inspection, which demonstrated – as I believe we knew already – that our teaching activities are of high quality and of appropriate standards. We are working on the issues raised in these reports, and I have little to add except to repeat my congratulations and thanks to all who were involved. We moved the Business School mid-session into a splendid new building, nearly finished the William Beatty¹ building for the dental therapy programme, and planned the major Library extension for 2006.

Our position in some aspects of the league tables is worrying. We need to improve our retention rates, restore our position above the national average on employability and – as long as classified degrees remain – examine why our students get a lower proportion of firsts and upper seconds than those in comparable institutions. These are all major topics for this year and we need good stories to tell on success and employability for the 2006 intake who will be the first to pay top-up fees.

THE 2006 AGENDA

During the year the government's proposal to allow us to charge up to £3000 per year to all full-time home/EU undergraduates became law. We have very recently heard from the Office for Fair Access about the bursaries and outreach work needed to get permission to charge higher fees. These must be aimed at widening participation from groups who are under-represented in Higher Education, particularly those from poorer families.

We shall be seeking permission to charge £3000 for all our courses, though it is likely that students who are away on placement or abroad will not face an increase from the present fee level. We are required to give a £300 bursary to students from families in the lowest income band (up to about £16000 as assessed by their Local Authority). We shall in fact be proposing additional bursaries for this group and for those with somewhat higher family incomes. We shall also be expanding UP for It, which recently won a national award for Widening Participation, and which is working in primary and secondary schools in parts of our community where there is educational underachievement and social deprivation.

¹ Nelson’s surgeon; we could not identify his dentist.
We might need to adjust our bursary scheme, or conceivably our fee level, when we see what our competitors propose but the biggest challenge is to be able to answer the question “why spend £3000 per year to come to Portsmouth?” That is, we need to be able to say what we offer that is distinctive and attractive to students.

We face this challenge from a sound base. We have increased our popularity and our UCAS applications have grown by 50% in three years. We have done this by making our courses relevant and up-to-date and by promoting them effectively in our prime recruitment markets. Portsmouth has also become more attractive through our own investment in buildings and the general development of the City. These changes in the University have occurred in the last five years or so, and they are now embedded across the institution. Everyone accepts the need to continue to change and develop to give our students the best experience.

For 2006, we need rather more. I have already mentioned our focus on retention – helping students to succeed as well as they possibly can. Also, we have slipped in the employability of our students, which is an area where once we could boast excellence compared to our competitors.

Discussions over the past year have concentrated on the ways in which we can help students to stand out from the crowd of graduates from other places. For most of them, this means giving them a better chance of reaching the shortlist when they apply for a job – and then a better chance of actually getting appointed.

Our strategy for doing this involves a rethink of the parts of our degree programmes that are devoted to key skills, to employability and to electives. Many students already stand out from the crowd because they have studied languages in the Institution-Wide Language programme; some have done well in the Enterprise Challenge, though currently this is not accredited as part of their degree. Others have mentored younger people, or volunteered through UP for It and the Students’ Union.

Our strategy is to make activities such as these available to all our students, and to enable them to take part in them within their degree programmes. So those who are enterprising, who mentor or who volunteer will be able to gain credit provided that they reflect appropriately on their learning – just as students involved in work-based programmes already reflect on their experiences. Indeed, for many students, an experience of paid part-time work can be included as a work-based element of their degrees, provided that we help them to find appropriate opportunities to earn while they learn. Some students will also be able to gain other qualifications as well as studying for their degrees, including those offered by software vendors and professional bodies.

We are now working to accredit the experiences gained in part-time employment, volunteering, mentoring, and social and business enterprise.
I am sure that you can come forward with other ideas, which meet the criterion of helping our students to stand out – to be *Set UP for Life*.

We are also working to ensure that we maximize the benefits that our students can achieve from our many connections with local and regional employers. The *PurpleDoor* – based in James Watson - will bring together the contacts that we have made through graduate employment, part-time jobs, work placements and Knowledge Transfer. Through it we will be proactive by acting as an agency to place both students and graduates in appropriate jobs. For other students, we will be helping to find volunteering or mentoring opportunities.

We shall of course continue to emphasise the high quality of our courses and of our student support. We shall tell applicants that coming to Portsmouth will be an exciting and fulfilling experience both academically and socially. With the *Set UP for Life* activities in place as well, we shall be able to give a convincing answer to the question, “what will I get for my money?”.

**HOW WILL WE JUDGE SUCCESS?**

We face a range of risks from the new system of fees and bursaries and from the competitive pressures as other universities seek to make a distinctive offer to justify the higher costs to students. The 2005 entry will be affected by those who can choose to apply then to avoid the new fees, and there will be an opposite effect in 2006. In addition the new fee regime might reduce national demand for higher education as people are put off by the higher cost. So both 2005 and 2006 are likely to be unsettled years in terms of student numbers. Whether and when this turmoil will settle down remains to be seen.

At one level, we shall judge success by our recruitment numbers, but we would be unhappy to see our position weaken in terms of the quality of our student intake given that we have worked very hard over the past few years to improve it. It is very likely that the government will continue to judge us by our performance in widening participation, even though they maintain in public that OFFA will look at bursary schemes and outreach activity rather than at our actual admissions.

We should take the 2004 intake as a baseline, in terms of the spread of entry qualifications of our incoming students and our performance against various widening participation measures. If the entry profile in 2007 matches that of 2004, with perhaps some targeted increase in the admission of students from under-represented groups, then I would consider that we have been successful in meeting the challenges of 2006. It would be good to improve the quality of the entry profile, but this might be unrealistic given the competitive pressures. If the 2007 intake matches up to this target, we can then look to re-establish our current rate of improvement over the following period.
NOT FORGETTING

The 2006 agenda affects full-time home/EU undergraduates and it would be tempting to forget our other agendas. We have had excellent recruitment of international students for several years, although the 2004 position is somewhat down on the record numbers of last year. We are working hard in our main markets and we need to broaden both the geographical range of our activities and the courses that we offer which will be particularly attractive overseas.

Likewise, our postgraduate and part-time numbers need continued attention, and both areas may be affected by the costs of being a full-time undergraduate. There has been little national policy steer on part-time fees and funding in the light of the changes for full-time students; we can expect this in the coming months. The demand for postgraduate and professional development courses might change – with perhaps a move from full-time to part-time - from 2009 as students graduate with more debt.

We are now beginning the new HEIF agenda, with sector managers working to develop opportunities for others to access the great range of expertise in the university. The regional and local economies need to access our skills and knowledge, and we have many opportunities to deliver to our commitments to support economic and social regeneration.

The next RAE is turning from vague outline towards reality as panels are appointed and the rules of engagement are clarified. Internally we are receiving review reports so that we can position ourselves in the best possible way. We have an excellent opportunity to demonstrate the high quality of our research activities, and to keep sending the message that it is important to support research outside the small number of universities who receive the vast majority of research funding.

CONCLUSION

Uncertainty and change are often worrying, but the university faces these challenges from a strong position in recruitment and finance, and most importantly in the commitment shown by staff all across the institution. So I am confident that we will meet these challenges as well as we have met others in the past.

Many thanks for all that you do for the university.

John Craven
Vice-Chancellor
MEMBERS OF THE BOARD OF GOVERNORS - AS AT NOVEMBER 2004

INDEPENDENT MEMBERS  (13)

Phillip Webb
(Chairman of the Board of Governors)
Chief Executive, PITO

Sheila Clark
Chief Executive, Portsmouth City Teaching Primary Care Trust

Dr Martin Copp
(Deputy Chairman of the Board of Governors)
Director, Brockhampton Holdings plc

David Ferguson
Retired, formerly Director and General Manager of Business Systems at The Post Office

Kevin Haven
Barrister, currently at the Chambers of Mr David Phillips QC

Stuart Iles
Formerly, Bank of England Agent

Jeffrey Lock
Dentist

Linda Naylor
Partner, Grant Thornton

Peter Stemp
Formerly Director of Human Resources, Unum Ltd

Colin Webb
Formerly General Manager Press Association

Jeremy Young
Joint Managing Director of Young and Butt Ltd

Vacancy

Vacancy

COOPTED MEMBERS  (9)

EXTERNAL

Anna Graham
NHS Projects Co-ordinator for Servier Laboratories

Richard Hastilow CBE
Chief Executive, Royal Institute of British Architects

Michael Oakes
Principal, Southdowns College

Lynda Phillips
Senior Partner, BKR Haines Watt, Chartered Accountants
Adrian Ryder
Managing Associate, manage2develop, Business Development Services

Dianne Smith
Headteacher, Admiral Lord Nelson School

INTERNAL

Barrie Davies
Academic Staff

David Sherren
Support Staff

Emma Woodfield
President of The Students’ Union – *ex officio*

ACADEMIC COUNCIL NOMINATED TEACHING STAFF (2)

Lynn Pevy
Dr Peter Starie

VICE-CHANCELLOR OF THE UNIVERSITY - *EX OFFICIO*

Professor John Craven