



BOARD OF GOVERNORS

Minutes of a meeting of the Board of Governors held on Tuesday 22 November 2016
at the Lensbury Hotel, Twickenham.

Present: Mrs Sue Handley-Jones (Vice-Chair) (in the Chair)
Professor Edward Acton
Cllr Tony Arbour
Mr Francis Campbell (Vice-Chancellor)
Fr Richard Finn
Dr Maureen Glackin
Mr David Hartnett
Mr Stuart Kemp
Mr Zander Lavall (President of SMSU)
Ms June Mulroy
Mr Jonathan Walsh

In attendance:

Mrs Jo Blunden (Senior Director of People)
Professor John Charmley (Pro Vice-Chancellor)
Mr Uday Chowdhury (Acting Director of Finance)
Rt Hon Ruth Kelly (Pro Vice-Chancellor)
Mr Mark Sudbury (Senior Director of Global Engagement)
Mr John Unsworth (Interim Chief Operating Officer)

Mr Graham Fice (Clerk to the Governors)

Apologies: Rt Rev Richard Moth (Chair of the Board), Mr Jeffrey Cottle, Mr Mike Foster,
Mr James Roberts (Student Observer), Professor Anne Moran (Pro Vice-Chancellor)

John Unsworth and Mark Sudbury were welcomed to their first meeting of the Board.

The Clerk confirmed that under the *Articles* (14.5) the Vice-Chair of the Board presided in the absence of the Chair.

1 DECLARATIONS OF INTEREST

1.1 There were no declarations of interest.

2 MINUTES OF PREVIOUS MEETING

2.1 The minutes of the meeting held on 22 September 2016 were approved.

3 MATTERS ARISING

M2 Chair's Business

- 3.1 The Vice-Chair reported that Stuart Kemp had tendered his resignation as a Governor and as Chair of the Audit Committee because of professional commitments; he was able to remain as a Governor until the Board's April 2017 meeting. Ms June Mulroy, currently the Vice-Chair of the Audit Committee, would become the Chair of the Committee with immediate effect.
- 3.2 Professor Anne Moran would join the Audit Committee when she became an Independent Governor from 1 January 2017 but the Board was aware that this was the last meeting for Cllr Tony Arbour who was also a member of the Audit Committee. While the quorum for the Audit Committee was two, the External Auditor had underlined the CUC requirement for an Audit Committee to have three members. The External Auditor had commented that while no member of a HEI's Finance Committee should serve as a member of the same institution's Audit Committee, and *vice versa*, an exceptional and temporary arrangement was possible with the Board's agreement.
- 3.3 The Board accordingly **agreed** that exceptionally and temporarily Mr Dave Hartnett should join the Audit Committee while continuing to serve as a member of the Finance and Resources Committee.
- 3.4 The Vice-Chair reported that the Nominations and Governance Committee would begin a process of new Governor recruitment shortly.
- 3.5 The Board noted that elections for the vacant Staff Governor post *vice* Maureen John

M6 HEFCE: Future Approaches to Quality Assessment

- 3.6 The Board noted that the proposed seminar for Governors on academic quality and standards would form part of the Board's Awayday in February 2017.

M7 Space utilisation

- 3.7 The Board noted that a report on space utilisation would be brought to the next meeting of the Finance and Resources Committee.

4 CORPORATE PLAN

- 4.1 Copies of the new Corporate Plan had been circulated to Governors before the internal launch in October and thanks were expressed to all Governors for their input and to Dave Hartnett in particular for his extensive review of the first draft of the Plan. The internal launch of the Plan had resulted in positive feedback from staff.
- 4.2 Copies of the Plan had been distributed at the recent Bishops' Conference and there had been praise for the Plan. The Senior Director of Global Engagement had arranged for the Plan to be circulated to key stakeholders and plans were advancing for the external launch, including a Parliamentary Reception; attention was drawn to the recent interview with the Vice-Chancellor in the *Times Higher*.
- 4.3 The Board received a paper from the University Secretary setting out arrangements for implementation and monitoring of the Plan within the University:

- Implementation was being led by the University Secretary, the Interim Chief Operating Officer, the Head of Corporate Planning and the Senior Director of People
 - The underpinning strategies for Education, Research, Public Square and Recruitment had been finalised
 - Detailed delivery plans had been submitted by the Schools and Services
 - Individual projects had been extracted from these, prioritised, linked to a Key Performance Indicator (KPI) and assigned to a member of the Senior Leadership Team
 - Internal monitoring would be through the new Directors' Forum
 - There would be greater use of data for monitoring and the Academic Scrutiny Committee had received an update on the use of KPIs for monitoring
 - The Board's committees would be kept informed in their areas of responsibility but the Board should take ownership and maintain an overview
- 4.4 There was discussion of the KPIs and the mechanism by which the Board would monitor progress. Members were aware that some KPIs were only available on an annual basis (lagging indicators) but the Academic Scrutiny Committee had welcomed the use of internal PIs as 'early warnings' (leading indicators). The Board **agreed** that there should be a standing agenda item on the implementation and monitoring of the Corporate Plan at every meeting.

5 VICE-CHANCELLOR'S REPORT (COMMERCIALLY SENSITIVE)

- 5.1 The Board received the report of the Vice-Chancellor (paper 2). This covered:
- TEF
 - Recruitment
 - The use of Twickenham Community Centre by the University
 - Review of Education and future Diocesan Multi-Academy Trust joint venture
 - Senior appointments (COO and CIO)
- 5.2 Attention focused on recruitment and the Pro Vice-Chancellor (Academic Strategy) provided an update and explanation of the analysis of registered students. While there were rises in certain categories of new students there was a drop of c7% in first year home/EU undergraduate recruitment. This was seen as indicative of the demographic decline coupled with the highly competitive HE market situation; however the financial consequences of the decline were relatively limited because of cautious financial modelling and review of fees.
- 5.3 For 2017 entry the SMT was receiving fortnightly updates by programme in order to prioritise marketing and recruitment activity. The Pro Vice-Chancellor (Academic Strategy) was reviewing the lowest performing programmes with Heads of School and the Board noted new programmes moving through the approval process.
- 5.4 Members commented on the table of registered students before the Board and requested future analyses to have a clearer presentation to enable better understanding of the University's situation including trends (year on year) and indication of the financial impact of recruitment. The Pro Vice-Chancellor assured the Board that future presentations would better meet members' requirements.
- 5.5 The Vice-Chancellor reported that he had asked Internal Audit to look more closely at student data to gain comfort on data accuracy ahead of the key HEFCE/HESA returns. The Annual Report of the Audit Committee contained a qualification on the

Committee's opinion on data in relation to the Key Information Set (M6 refers). The Head of Corporate Planning was working with colleagues to ensure a common understanding of data terms (data definitions).

6 ANNUAL STATUTORY MATTERS

6.1 The Board received the following:

- Annual Report and Financial Statements for the year ended 31 July 2016 (paper 3)
- Audit Letter of Representation to BDO LLP for St Mary's University and for Strawberry Hill Enterprises Ltd (paper 4)
- The Audit Committee Annual Report for 2015/16 (paper 5)
- Letter of support to the Directors of Strawberry Hill Enterprises Ltd (paper 6)

6.2 All had been subject to prior scrutiny where appropriate by either the Audit or Finance and Resources Committee or both. The Financial Statements had been audited by BDO LLP, External Auditors, who had issued a 'clean' audit report.

6.3 The Acting Director of Finance drew attention to comments noted by the Audit and Finance and Resources Committees:

- The Accounts had been prepared in accordance with FRS102 for the first time and a Note to the Accounts explained how the transition to the 2015 SORP had affected the reported financial position, financial performance and cash flows of the consolidated results of the University
- Stripping out 'distortions' arising from the transition showed an overall surplus c £1M
- However the Interim Chief Operating Officer had emphasised that depreciation and pensions liability would become significant issues over time and the External Auditor had in turn underlined that the whole sector was now working to FRS102 and the focus should be on the picture shown under the new accounting standard

6.4 The Finance and Resources Committee had recorded its thanks to the former Chief Operating Officer, Terry Noys, for a successful outcome and the Audit Committee had similarly noted a further year with an unqualified audit opinion and no deficiencies identified in internal controls.

6.5 Attention focused on the Annual Report. The Finance and Resources Committee had agreed:

- The text could be more 'readable' especially as banks and potential lenders would refer to the Annual Report and Financial Statements should they be approached by the University for financial support
- Some of the University's achievements were somewhat lost in the text but also in the increasingly competitive HE environment the University might wish to limit some of the detail in the text
- Graphics could enhance the text
- Overall the text should be subject to extensive editing

6.6 The External Auditors had been drawn in because of the need for their approval of the document and redrafts had been made before the meeting of the Audit Committee, including one by the Vice-Chancellor. The Audit Committee had in turn agreed:

- Earlier planning and preparation was required for the Annual Report
- The Senior Director (Global Engagement) should look at examples from other institutions and draw up proposals for the Annual Report, taking account of any statutory requirements (such as Companies House as the University was a company) and the timeline for approval
- Material for the Annual Report could be collected during the year rather than at year end
- Proposals should be placed before the spring 2017 meetings of the Audit and Finance and Resources Committees (the Audit Committee had to approve the External Audit strategy for sign off of the 2016/17 accounts at its summer 2017 meeting)

6.7 The Vice-Chancellor assured the Board that a senior person would take ownership of the Annual Report for the year ending 31 July 2017.

6.8 The Board **agreed**:

- (i) **To approve the Annual Report and Financial Statements for the University for the year ended 31 July 2016 and their signature by the Chair and the Vice-Chancellor.**
- (ii) **To approve the Audit Letters of Representation to BDO LLP in relation to the Financial Statements for the University and for Strawberry Hill Enterprises Ltd for the year ended 31 July 2016 and for the letters to be signed by the Chair.**
- (iii) **To approve the Audit Committee Annual Report 2015/16 and for it to be submitted to HEFCE as part of the Annual Accountability Return.**
- (iv) **To approve the signing by the Chair of the Letter of Support to the Directors of Strawberry Hill Enterprises Ltd.**

7 HEFCE ANNUAL ACCOUNTABILITY RETURNS

Financial and other assurances

7.1 The Board considered the 2016 HEFCE Annual Accountability returns and received Part 1 of the Assurance Template (paper 7i). This had been completed by the Audit Committee and on the recommendation of the Audit Committee the Board **agreed**:

- (i) **That Part 1 of the 2016 Assurance Template be signed by the Vice-Chancellor and submitted to HEFCE as part of the Annual Accountability returns.**

Academic quality and standards

7.2 The Board considered Part 2 of the Assurance Template. The Academic Scrutiny Committee had considered the assurances required by HEFCE and the Board had before it a paper from the Pro Vice-Chancellor (Academic Strategy) which set out a detailed description of the University's management of quality and standards, together with a range of actions designed to enhance the student academic experience which went beyond the Quality Action Plan (paper 7ii).

7.3 The comprehensive paper covered:

- Quality assurance and standards monitoring

- Programme and module development
- Collaborative provision
- Risk management of collaborative provision
- External Examiners
- Policy and regulatory development
- Student recruitment
- Retention and Personal Tutoring
- Employability
- Complaints and appeals
- TEF

7.4 The Chair of the Academic Scrutiny Committee, Professor Acton, reminded the Board that HEFCE's requirement for assurance on academic quality and standards was new. The Action Plan sprang from the response to the QAA Higher Education Review but went beyond, and the Board could expect that the Plan would be more developmental in future. The Plan was a live document which would be regularly scrutinised by the SMT and the Academic Board, and in turn the Academic Scrutiny Committee. However the Board was clear that it should have clear ownership and oversight of academic quality and standards.

7.5 Because of the timing of key meetings in 2016, in particular that of Academic Scrutiny Committee, the paper before the Board had been considered by the SMT after ASC had met and some amendments had been identified to the paper by the SMT. Members noted that the paper itself was not submitted to HEFCE.

7.6 On the basis of the work of the Academic Scrutiny Committee and assurances provided the Board **agreed:**

- (i) **That a revised paper should be submitted to the Academic Scrutiny Committee before the Vice-Chancellor signed Part 1 of the Assurance Template.**
- (ii) **That Part 2 of the 2016 Assurance Template could then be signed by the Vice-Chancellor and submitted to HEFCE as part of the Annual Accountability returns.**

7.7 Board members had asked for a briefing on academic quality and standards and had already noted this would form a key part of the Board's 2017 Awayday. Members clarified minor matters of detail in the paper before the Board and suggested that a list of acronyms would aid understanding going forward (*Clerk's note: the 'For Governors' page of the University website has a link to a glossary of HEFCE terminology and acronyms*).

Prevent counter-terrorism

7.8 HEFCE required an assurance that the University had fulfilled necessary requirements in response to the 'Prevent' counter-terrorism strategy and the Board received a report from the Senior Director of People (paper 7iii). This had been scrutinised by the Finance and Resources Committee.

7.9 The Board was reminded that following submission of an Action Plan and supporting documentation HEFCE had agreed that the University had had due regard to 'Prevent' responsibilities; however the response should be ongoing and not 'one off' action. HEFCE had raised a question on the management of faith facilities; this was

addressed in the paper as required by HEFCE. The President of SMSU drew attention to moves to provide a Muslim prayer space on campus.

- 7.10 The Board **agreed** on the basis of the scrutiny by the Finance and Resources Committee:

- (i) **To approve the report on the University's response to the 'Prevent' counter-terrorism strategy for submission to HEFCE.**
- (ii) **That the Chair sign the necessary declaration and that this be submitted to HEFCE.**

ASSUR Sustainability return

- 7.11 The Board received a draft of the 2016 'ASSUR' institutional sustainability return along with the supporting KPIs (which were not submitted to HEFCE) (paper 7iv). The return had been scrutinised by the Finance and Resources Committee. While the 'ASSUR' return had been, and remained, optional the University had submitted the return in the past to demonstrate Board engagement on matters concerning sustainability as well as providing assurance to funders.

- 7.12 The Board **agreed**:

- (i) **That the Chair sign the 2016 'ASSUR' sustainability statement for submission to HEFCE.**

8 ACADEMIC BOARD COMPOSITION AND COMMITTEE STRUCTURE

M14 refers

- 8.1 The Board received an update from the University Secretary on the composition of the Academic Board and the Academic Board committee structure (paper 8).
- 8.2 The Board noted the composition of the Academic Board for 2016/17 (total 19 of a permissible 20 members):

The Vice-Chancellor
The Pro Vice-Chancellor (Academic Strategy)
The Pro Vice-Chancellor (Research and Enterprise)
The Senior Director of Global Engagement
4 Heads of School
9 representatives elected by School (4) or Staff (5)
2 Representatives from the Students' Union

- 8.3 Noting that it had been agreed not to move ahead with establishment of a Student Experience Committee on the grounds that there were other adequate vehicles for the student voice to be heard, the Board **approved** the Academic Board committee structure for 2016/17:

Teaching and Learning Quality and Enhancement Committee

Sub-committees: School TQLE Committees, Collaborative Provision Committee, Access Agreement Scrutiny Group

Recruitment and International Committee

Sub-committee: Recruitment and Admissions Committee

Research Committee

Sub-committees: Ethics Committee, REF Committee

9 UNIVERSITY REGULATIONS

M12 refers

- 9.1 At its last meeting the Board had approved new University *Regulations* in principle; these had been drafted following the removal of details previously in the University's governing *Articles* and to include information contained in an internal guide to the Academic Board.
- 9.2 There had been a question over the composition of the Academic Board which had been resolved (M8 above refers) and the Board now received a final version of the *Regulations* (paper 9). The Board **agreed**:

(i) To approve the University *Regulations*.

10 STUDENTS UNION REPORT

- 10.1 The Board received the report of the President of SMSU (paper 10). This included:
- Governance (including implementation of a process of incorporation and joint staff contracts with the University)
 - Student campaigns
 - Programme representatives

The Finance and Resources Committee had noted the annual accounts of SMSU for the year ended 31 July 2016 at its November 2016 meeting.

- 10.2 The President drew attention to:
- SMSU participation in a national demonstration to oppose the Government's proposal that tuition fees be increased in line with the TEF
 - A SMSU petition that fees not be increased from the current level
 - SMSU's support for other Student Unions which were asking for further careful thought on a national NUS proposal that the 2017 NSS be boycotted (the NSS would contain a new set of questions including questions about students' satisfaction with a student union)

The President of SMSU had not voted for an increase in fees when the matter had been considered at the Board's last meeting.

- 10.3 Setting issues surrounding the 2017 NSS to one side, Board members recognised the concerns of the President and students about increased fees but were equally aware of the financial pressures on the sector and on the University. In considering fee increases at its last meeting the Board had noted that the University was already 'underpriced' in some areas. Members observed:
- The new and ambitious Corporate Plan had been launched and developments would have to be funded

- Inflation, price increases and Government HE policy was not under the University's control
- An increase from £9,000-£9,250 was not so sharp as the former increase from £3,000-£9,000
- The £9,000 fee had been phased in (students already enrolled paying £3,000 had been protected)
- Like other HEIs the University had to observe Competition and Markets Authority guidance on unfair terms
- Value for money in return for fees charged was a key issue for students and the University

10.4 The Board **agreed:**

- The Interim Chief Operating Officer should prepare a paper including detailed information on course and other costs for Board consideration (through the Finance and Resources Committee)
- The concerns of the President of SMSU be taken into account in the 2017/18 budget round which would culminate in Board approval of the 2017/18 budget at its June 2017 meeting

11 **ACADEMIC SCRUTINY COMMITTEE**

- 11.1 The Board noted the minutes of the meeting of the Academic Scrutiny Committee held on 15 November 2016 (paper 11).

12 **AUDIT COMMITTEE**

- 12.1 The Board noted the minutes of the meeting of the Audit Committee held 14 November 2016 (paper 12).

13 **FINANCE AND RESOURCES COMMITTEE**

- 13.1 The Board noted the minutes of the meeting of the Finance and Resources Committee held on 9 November 2016 (paper 13).

14 **VALEDICTIONS**

- 14.1 Tribute was paid to Cllr Tony Arbour for his long service as a Governor as a nominee of LBRUT; the Chair would write to the Leader of the Council to stress that removal of a specific place for a nominee of the Borough in the revised governing *Articles* did not mean the end of the close relationship between the University and the Borough.
- 14.2 The Board noted that Professor Anne Moran (Pro Vice-Chancellor (Global Engagement)) would step down from her senior staff post in December 2016 and join the Board as an Independent Governor from January 2017.

15 **DATES OF FUTURE MEETINGS**

Thursday 23 February 2017 (**Awayday – Lensbury Conference Centre**)

Thursday 6 April 2017

Thursday 29 June 2017