



St Mary's
University
Twickenham
London

BOARD OF GOVERNORS

Minutes of a meeting of the Board of Governors held on 22 November 2018 in the Waldegrave Room, St Mary' University, Twickenham.

Present:

Professor Edward Acton
Professor Francis Campbell – Vice Chancellor
Ms Noreen Doyle
Mr Dave Hartnett
Ms Natalie Hobkirk – SU President
Professor Anne Moran
Rt Rev Bishop Richard Moth – Chair
Ms June Mulroy
Ms Claire McDonnell
Mrs Kristen Pilbrow – Staff Governor
Professor Anthony Towey – Staff Governor

In attendance:

Mrs Jo Blunden – Senior Director of People
Mr Andrew Boggs – Interim Director of Strategic Planning
Professor John Brewer – Pro Vice-Chancellor (Global Engagement)
Mr Andrew Browning – Clerk to the Board of Governors (Minute taker)
Professor John Charmley – Pro Vice-Chancellor (Academic Strategy)
Rt Hon Ruth Kelly – Pro Vice Chancellor (Research & Enterprise)
Mr Richard Solomon- Finance Director
Mr John Unsworth – Chief Operating Officer
Mr Harry Williams – RDAP scrutiny panel observor

BoG 22/18 APOLOGIES FOR ABSENCE AND WELCOMES

There were apologies for absence from Jeff Cottle.

Harry Williams was attending as an RDAP Scrutiny Panel Observer.

BoG 23/18 DECLARATIONS OF INTEREST

The Vice Chancellor stated that he sits on the board of a Higher Education facility in Ireland which is not in competition with the University.

The Chair stated that he was a trustee of St John's Seminary at Wonnersh.

The Board were reminded of their continuing duty to keep the Clerk informed of any declarations of interest.

BoG 24/18 MINUTES OF PREVIOUS MEETING

The minutes of the meeting of 5 October 2018 were considered by the Board and were approved.

BoG 24/18 MATTERS ARISING

4/18 Dave Hartnett has begun his review of governance.

5/18 Governors Recruitment - A number of potential names of governors have been provided to the Clerk.

10/18 – KPI Update – The interim Director of Strategic Planning told the Board that he had checked the figures for repeating students in both 2017 and 2018 and had found that the percentage of repeating students has remained constant.

12/18 – SRS Budget - The contract for the SRS has now been signed by the University.

15/18 – The Committees Terms of Reference have been updated on the University's website.

17/18 – HSBC have approved the renewal of the University's overdraft.

BoG 25/18 VICE CHANCELLOR'S REPORT

Papers 1 refers

This was presented by the Vice Chancellor. The paper provided an update on the following

- i) OFS Registration
- ii) Review of Post-18 funding
- iii) Media Coverage and VIP events.
- iv) Student Recruitment
- v) Academic Board Report

- vi) Annual Operating Plan
- vii) The forthcoming launch event of the new LLM and Law School at which Lord Kerr who is one of the Supreme Court Justices will be the guest of honour.
- viii) A development dinner hosted by Noreen Doyle.

The Vice Chancellor told the Board that the University had now received the report from the OFS confirming the outcome of the HEFCE visit in May. It stated that the University had met the OFS assurance criteria. The University has still to hear from the OFS regarding its registration application.

The Board asked if there had been any further news as to the outcome of the recent OFSTED inspection. The Vice Chancellor told the Board that the second visit had taken place and the University was still awaiting the outcome.

BoG 26/18 KPI UPDATE

Paper 2 refers

This was presented by the Interim Director of Strategic Planning. He said that the paper mainly focused on the University's performance in the areas of entry standards, good honours, and headcount.

The Board were told that the current FTE headcount for academic year 2018/2019 stood at 4458. The Board were told by the Finance Director that the University was 41 students down on target and this combined with attrition meant that there was a £900k financial gap which is within the contingency provided for in the budget for the year. The PVC (Academic Strategy) said that the University was looking to expand the foundation year to improve numbers next year.

The Vice Chancellor said that there was a significant decline in undergraduate recruitment across all HEIs in London with the decline being in the region of 30%. This issue was something that the University needed to consider.

There were still concerns regarding retention. The Interim Director of Strategic Planning said that additional analysis was being carried out in relation to students who had previously studied BTech as they had higher attrition levels.

The PVC (Academic Strategy) said that retention was not a problem across the board and that there were 8-10 programmes which were having issues with retaining students. In the four programmes with the worst attrition levels exams were being replaced with other more suitable modes of assessment and all programmes were being asked to check whether their assessment methods were suitable. The PVC

(Academic Strategy) also said that he and the Dean of Teaching and Learning were working on the new curriculum framework.

The COO said that attendance monitoring was now in place and the University was more easily able to identify which students were not attending.

The Board asked whether there was a link between unconditional offers and retention. The Interim Director of Strategic Planning said that he was not sure; however, there was an effect on employability as employers look at A-level results. The Interim Director of Strategic Planning said that he would look into this. **ACTION**

(The Senior Director of People left the meeting)

BoG 27/18 STUDENT RECRUITMENT UPDATE

Paper 3 refers

The PVC (Global Engagement) told the Board that the recruitment to the Foundation Year had been particularly successful and that the University was now looking to expand its offer. The figures for PGCE had also been encouraging and the PVC (Global Engagement) said that credit had to be given to those in Education who had worked hard on achieving such positive figures.

The Board were told that the postgraduate numbers were up but not as high as hoped and not reflecting the number of applications that had been made for postgraduate courses. A postgraduate open evening had been held which was successful. The new MSc in Physiotherapy was of particular interest, the PVC (Global Engagement) said that there was potential for positive recruitment numbers on this as it was a course that would all but guarantee employment after completion.

The Board were told that the University had now broken the 100 student barrier in international recruitment but that the growth in international recruitment had been slower than the University would like. Next term the first SMULIC students would be arriving at the University.

The PVC (Global Engagement) said that recruitment for 2019/2020 had been challenging with the number of early UCAS applications being down from last year. This was the same across the University's competitor group. In response to this weekly meetings were being held with key staff and management involved in recruitment to identify additional actions to be taken. An additional open day had been arranged with two more drop-in evenings being arranged in December and January.

The Board asked what the footfall had been like for the open days. They were told that numbers had been down from last year in September, marginally down in October, but that the December open day was potentially going to exceed expectations.

The Board expressed its view that there needed to be a focus on postgraduate and international recruitment. The PVC (Global Engagement) said that he was seeing innovative ideas from SHAS in respect of postgraduate recruitment and EHSS was picking up on these. He said that the peak period for post graduate recruitment was from Easter onwards. He said that efforts were also being made to keep engaging with the undergraduate applicants to convert them into acceptances.

The Board discussed the delivery of courses. The PVC (Global Engagement) said that prospective students were not only interested in contact hours, they were also interested in methods of delivery and location.

The Board asked whether the University had been looking at 2 year degrees and encouraging mid-year applications. The PVC (Global Engagement) said that the University was looking at these. The Interim Director of Strategic Planning said that the case for 2 year degrees had been helped by recent government announcements. He said that the University should try and influence policy on 2 year degrees and ideas needed to come from programmes as to their delivery.

(The Senior Director of People returned to the meeting)

The Board expressed its view that the University needed to be ready to roll out 2 year degree programmes. The PVC (Academic Scrutiny) said that this was currently being looked at as an option. The Vice Chancellor said that the situation was a challenging one with a requirement to consider what the business model in higher education should be. He said that that the difficulty with 2 year degrees was that they were not cost effective in all circumstances particularly as an increase in tuition fees was extremely unlikely. The PVC (Research & Enterprise) said that degree apprenticeships may be another solution.

The Board noted that the University was exploring recruitment opportunities in China. It was aware of situations in China where other universities that had been successful but where the Chinese had suddenly stopped these recruitment streams. The PVC (Global Engagement) said that he had recently visited China and the field of Education was currently seen as critical for them and the University was seen as a viable potential partner. There were risks for the University in relation to visas but given that the University had recruited very few students from China the risks from continuing to try and recruit from the region was low. The Vice Chancellor said that it was right to highlight the risks but the University's international recruitment strategy was not wholly predicated on China with it being only one component of the strategy.

BoG 28/18 MANAGEMENT ACCOUNTS FOR PERIOD ENDING 30 SEPTEMBER 2018

Paper 4 refers

These were presented by the Finance Director. He said the management accounts reflected the new faculty structure. The EBITDA to date was a deficit of £1.5m which is £0.8m favourable to budget. The year to date loss was primarily due to the seasonally low level of income in August and September. The cash position at the end of September was £3.6m which is approximately £1.4m ahead of budget.

The Board **noted** the management accounts.

BoG 29/18 ANNUAL REPORT AND FINANCIAL STATEMENTS

Paper 5 refers

This was presented by the Finance Director. He told the Board that the Annual Report and Financial Statements had been reviewed by SMT, Finance and Resources Committee, and Audit Committee. The external auditors had requested some minor changes to the accounts but these were not substantial.

The University was required to provide two new disclosures, the first was a justification for the Vice Chancellor's salary, the second was a report on the time and cost expense relating to those employees who were also trade union officials.

The Board's attention were drawn to the section of the Annual Report regarding internal control and conclusions of the internal auditors that "there were weaknesses in the framework of governance, risk management and control such that it could become inadequate or ineffective". The Finance Director said that while this conclusion was disappointing it had also been noted by the Internal Auditors that "considerable progress has been made in addressing some of the issues raised by the internal auditors during the year" and that "the University has provided assurance that this progress will continue".

The financial forecasts could be found at page 20 of the report. The University was budgeted to generate a meaningful EBITDA surplus in 2018/2019 and it was expected that the University would have an improving financial trajectory over the next few years with an EBITDA of 10% of income.

The covering paper set out why the reasons why the University was able to continue as a going concern. The Finance Director said that these reasons were not controversial and there were no material uncertainties.

A significant adjustment had been made to the pension figures due to there being a gain on the pension scheme of £4,245k. This was due to a strong return on fund investments and a change in the financial assumptions such as expectation of inflation and future salary increases.

Bad debts had also been reviewed and the provision for these had been reduced by £100k to £200k.

The Board asked whether the report by BDO could be requested under FOI. The Clerk said that he would clarify this. **ACTION**

The Board voted on whether it should approve the Annual Report and Financial Statements. The voting was as follows:-

In favour: 8 Votes

Against: 0 Votes

Abstentions: 0

The Annual Report and Financial Statements were therefore **approved** by the Board.

BoG 30/18 FINANCIAL COMMENTARY FOR YEAR ENDING 30 SEPTEMBER 2018

Paper 6 refers

This was presented by the Finance Director. The Board were told that the financial commentary was required to be provided to the OFS. The Finance Director said that it was premature for the University comment on the future of tuition fees and HE funding and also on the changes to the pension contributions to the Teachers' Pension Scheme.

The University had been able to revise its estimates for the Wandsworth Council Pension Fund. The University also estimated that additional non cash costs of between £150k and £300k may need to be accrued.

The University have disclosed in the commentary the increase in budgeted capital expenditure due to the increased costs of the SRS programme. The University was also disclosing that the estimated fee income would be approximately £900k below budget which is within the £2m contingency.

The Board suggested that the within the preamble a line be included stating that the University's deficit for the year 2017/2018 was planned. Subject to this amendment being made the Board voted on whether to approve the Financial Commentary. The voting for this was as follows:-

In favour: 8 votes

Against: 0 votes

Abstentions: 0

The Board therefore **approved** the financial commentary for submission to the Office for Students.

BoG 31/18 ANNUAL REPORT OF THE AUDIT COMMITTEE

Paper 7 refers

This was presented by June Mulroy in her capacity of Chair of the Audit Committee. As had previously been discussed the internal auditors had concluded that there were weaknesses in the framework of governance, risk management and control of the University. The Board were told by June Mulroy that over the past 12 months the University was getting better opinions from the internal auditors and there had been an improvement in the completion of actions.

The Board **noted** the annual report of the Audit Committee.

BoG 32/18 LETTERS OF REPRESENTATION: ST MARY'S UNIVERSITY

Paper 8 refers

The University is required to send a letter to the external auditors confirming that there has been full co-operation and compliance and full disclosure to them.

The Board unanimously **approved** the signing of the letter by the Chair of the Board of Governors.

BoG 33/18 LETTER OF SUPPORT FOR STRAWBERRY HILL ENTERPRISES

Paper 9 refers

The University is required to provide a letter of support to the Directors of Strawberry Hill Enterprises confirming its support so that the Company can meet its financial obligations, insofar as they fall within the charitable objects of the University.

The Board unanimously **approved** the signing of the letter by the Chair of the Board of Governors.

BoG 34/18 PREVENT DUTY UPDATE

Paper 10 refers

This was presented by the Senior Director of People. The paper had previously been discussed at Finance and Resources Committee ("FRC"). Since the paper had been put before FRC the risk assessments had been updated.

The Board were told that the change from HEFCE to OFS had meant that there had been a slight change of emphasis. The OFS approach had broadened to include more emphasis on welfare referrals and training.

The Senior Director of People said that there had been new Prevent training rolled out as well as refresher training. The outstanding action on IT filtering had also been completed.

On the recommendation of the FRC, the Board were asked to:-

1. Approve the report on the University's ongoing engagement with Prevent for submission to the OFS; and,
2. On the basis of the report to agree that the Chair may sign the necessary declaration for OFS.

The Board voted as follows:-

In favour: 8 votes

Against: 0 Votes

Abstentions: 0

The Board therefore **approved** the above request.

BoG 35/18 ACADEMIC GOVERNANCE

Paper 11

This was presented by the Vice Chancellor. Following the move to faculties it was necessary to change the make-up of the academic Board. It was proposed that the number of faculty reps be increased from 4 to 6 (including provision for reps from the institute) and reduce the number of wider elected reps from 5 to 3.

The Board **noted** the move of recruitment activity from oversight of the Academic Board to direct control of the executive via SMT.

The Board were asked to approve the revised membership of Academic Board and allow elections to be run in November and December. The Board unanimously **approved** this proposal.

BoG 36/18 SU PRESIDENT REPORT

Paper 13 Refers

The SU President told the Board that the Students' Union was currently carrying out a data analysis of the students who had engaged with the "Big Hello" event at the start of the academic year and this would be provided to the Board at the next meeting. **ACTION**

The "Simms Mental Health" campaign is now fully underway and the SU is continuing to try and raise awareness regarding mental health issues. The SU is also planning a "Call it out Campaign" concerning sexual assault, harassment and violence, and lad culture on campus.

The CEO of the Students' Union, Donna Smith, will shortly be leaving and the University is currently in the process of hiring her replacement. The Board asked that their thanks be communicated to Donna thanking her for all of her hard work and outstanding service both to the Students' Union and to the University.

BoG 37/18 FINANCE AND RESOURCES COMMITTEE

Paper 14 refers

The minutes of the meeting held on 30 October 2018 were noted by the Board.

BoG 38/18 AUDIT COMMITTEE

Paper 15 refers

The minutes of the meeting held on 6 November 2018 were noted by the Board.

BoG 39/18 ACADEMIC SCRUTINY COMMITTEE

Paper 16 refers

The minutes of the meeting held on 7 November 2018 were noted by the Board

BoG 40/18 ANY OTHER BUSINESS

SALE OF 34 CLIVE ROAD

A further paper had been submitted by the Finance Director. At its meeting on 21 June 2018 the Board approved recommending the sale of 34 Clive Road to the members of the University.

Under the Articles of the University where there is a sale of University land or buildings and the acquisition of which was wholly or substantially funded by the Catholic Church or the CES the members of the University need to give their consent to the sale by way of a resolution. The members had now approved the sale of 34 Clive Road and Board of Governors now needs to give its final consent to the sale of the property.

The Board were asked to vote on the following resolution:-

1. to sell the property;
2. to give written notice of the amount of the proceeds of sale to the CES;
3. to use the net proceeds of sale in suitable capital investment in the University site as set out in Governing Body Paper 8 of 21st June 2018 or otherwise.

The Board voted as follows:-

In favour: 7 votes

Against: 0 votes

Abstentions: 1

The Board therefore **approved** the above resolution.

DATES OF NEXT MEETINGS

24 January 2019

28 February 2019 (Away Day)

16 May 2019

20 June 2019

Action Tracker

Minute	Details	Action Due	Completed
26/18	Interim Director of Strategic Planning to check if there is a link between unconditional offers and retention.	24/01/19	
29/18	Clerk to advise on whether report by BDO can be provided under FOI	24/01/19	
36/18	Data analysis completed by SU regarding engagement with "Big Hello" event.	24/01/19	
40/18	Sale of Clive Road	06/19	