



**St Mary's
University
Twickenham
London**

BOARD OF GOVERNORS

Minutes of a meeting of the Board of Governors held on 5 October 2018 in the Waldegrave Room, St Mary' University, Twickenham.

Present:

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

In attendance:

Mrs Elizabeth Bell – Director of Strategic Planning
Mrs Jo Blunden – Senior Director of People
Mr Andrew Boggs – Interim Director of Strategic Planning
Mr Andrew Browning – Clerk to the Board of Governors (Minute taker)
Professor John Charmley – Pro Vice-Chancellor (Academic Strategy)
Professor Malcolm Cook RDAP Observer
Rt Hon Ruth Kelly – Pro Vice Chancellor (Research & Enterprise)
Mr Richard Solomon- Finance Director
Mr John Unsworth – Chief Operating Officer

BoG 1/18 APOLOGIES FOR ABSENCE AND WELCOMES

There were apologies for absence from Richard Finn, Claire McDonnell, Noreen Doyle, Anthony Towey, Jeff Cottle and John Brewer.

Richard Solomon, the Finance Director, and Andrew Boggs, the Interim Director of Strategic Planning were both welcomed to their first meeting of the Board.

Professor Malcom Cook was attending as an RDAP Scrutiny Panel Observer.

BoG 2/18 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 and would not be participating in discussion relating to the Ecclesiastical Faculty which was being discussed as part of the Vice Chancellor's update.

BoG 3/18 CHAIR'S BUSINESS

The Chair proposed that there be two Vice-Chairs of the Board, one having an academic background with the other having a background from outside academia. He proposed Anne Moran and Dave Hartnett to be the Vice Chairs. The Board voted as follows:-

That Anne Moran be elected Vice Chair of the Board.

In favour: 7

Against: 0

Abstentions: 1

That Dave Hartnett be elected Vice Chair of the Board

In favour: 7

Against: 0

Abstentions: 1

Anne Moran and Dave Hartnett were therefore duly elected as Vice Chairs of the Board.

BoG 4/18 REVIEW OF GOVERNANCE

One of the audit actions outstanding from the internal audit of governance was that a review would be carried out of the effectiveness of the changes to the University's articles and governance structure. Dave Hartnett would carry out this review with the assistance of the Clerk. **ACTION**

BoG 5/18 MEMBERSHIP OF THE BOARD

There are currently only 13 members of the Board which in particular put pressure on the committees to maintain quoracy. Board members were asked to let the Clerk know of any potential new governors with a view to recruiting new board members by the start of 2019. **ACTION**

Dave Hartnett told the Board that the appointment of Pietro Palladino as an ex-officio member of the Finance and Resources Committee had worked well.

BoG 6/18 MINUTES OF PREVIOUS MEETING

The minutes of the meeting of 21 June were considered by the Board. Kristen Pilbrow asked if a sentence could be inserted at paragraph 8.4 stating that the largest number of International students recruited by the University are UK International Students. Subject to this amendment being made the minutes were approved. **ACTION**

BoG 7/18 MATTERS ARISING

The Board asked what progress had been made in relation to the University's registration at the Office for Students ("OFS"). The Vice Chancellor said that to date there had been no notification or any request for information from the OFS. The Interim Director of Strategic Planning said that it seemed that the OFS were considering the applications in order of submission and that as the University had submitted its application close to the deadline it may be one of the last institutions to have its application considered.

BoG 8/18 VICE CHANCELLOR'S REPORT

Papers 1 and 1i refer

This was presented by the Vice Chancellor and it was assumed that members of the Board had considered both papers. Paper 1 provided an update on the following

- i) Correspondence from the OFS dated 30 July informing the University of its status of being "not at higher risk" with the continuation of the focused dialogue that had started under the HEFCE regime.
- ii) The commencement of the RDAP process.
- iii) Student Recruitment.
- iv) Academic Board update.
- v) Academic Year 18/19 Induction
- vi) NSS/League Table performance.

The Vice Chancellor said that the recent 22 place climb up the Times Good University Guide league table was a good achievement for the University. He did however advise that the University needed to continue to be vigilant in terms of maintaining standard to ensure that good practices were embedded and the improvement was maintained. The Chair on behalf of the Board congratulated the University on the achievement and thanked staff members for all of their hard work.

Ecclesiastical Faculty

The Vice Chancellor referred the Board to Paper 1i in relation to the establishment of an Ecclesiastical faculty at St Mary's. Previously an Ecclesiastical faculty had operated out of Heythrop College. Heythrop was however closing and the Bishops of England and Wales were asking the Board to agree to the ecclesiastical faculties to exist in a relationship with the University.

The Vice Chancellor said that this would assist in ensuring that the Theology was viable. It was hoped that the Ecclesiastical Faculty will be accepting its first undergraduates in September 2019. The Cardinal will be asking the Holy See for the formal transfer of the ecclesiastical faculties from Heythrop College to the University and the faculty will be known as Mater Ecclesiae College.

The Board were told that £60k per annum would be needed to establish and run the faculty although it was expected that over time this would reduce. It was also emphasised that no public money would be spent on the Ecclesiastical Faculty with a majority of the monies expected to come from Church funds.

The PVC (Academic Strategy) said that currently the Theology Department was responsible for almost half of all research within the University and was the most advanced in terms of being prepared for REF. He said that the Ecclesiastical Faculty would ensure that Theology remained a key port for research at the University.

The Board asked whether the siting of the Ecclesiastical Faculty on campus would have an effect on the undergraduate experience across the rest of the University. The Vice-Chancellor said that he expected that most students studying within the Faculty would be doing a dual award gaining a "civil degree" from the University as well the degree that would be awarded by the Holy See. Many of the students would not necessarily be getting taught on campus. He did not envisage there being a clash of cultures as it was an academic institution that was going to be on site and not a seminary.

The Board were asked to vote on a resolution to approve the establishment of the Ecclesiastical Faculty (to be known as Mater Ecclesiae) to exist with St Mary's. The Board voted as follows:-

In favour: 7 votes

Against: 0 votes

Abstentions: 1

The resolution was therefore **approved**. Following approval from the Holy See a formal agreement would come before Board for its final approval. **ACTION**

BoG 9/18 KPI UPDATE

Paper 2 refers

This was presented by the Director of Strategic Planning. She drew the Board's attention to the results of the National Students' Survey ("NSS"). The results of the survey were positive with a significant rise in all categories and a 3% – 4% rise compared to the rest of the sector in nearly all of the categories.

The Board were told that the Destination of Leavers in Higher Education ("DELHE") was slightly less positive in that the percentage of graduates in employment, study, or both had dropped by 2.1% to 93.25% compared to the sector average of 94.60%. The number of graduates in graduate level jobs had however increased slightly. The Director of Strategic Planning said that issues had been identified in Humanities and Law and it was case of deciding how best to address these.

As had already been highlighted by the Vice Chancellor the University had performed well in The Times University league table having risen by 22 places which was the second highest rise of any University.

The Board were pleased by the improvement in key areas and in particular the progress that had been made in assessment and feedback. The Board said that the challenge was not to become complacent as there was still further to go. The Pro Vice-Chancellor (Academic Strategy) said that the recent reorganisation into faculties was intended to give tighter control over quality. CTESS would work with programmes that were not meeting the criteria for teaching quality and where necessary there would be an intervention. The University was also working with the Student Union to improve quality.

The Vice-Chancellor said that there was no room for complacency and that "standing still" was not an option and that the University would look to consolidate its position in the rankings.

The Pro Vice-Chancellor (Research & Enterprise) said that there was more that could be done in employability and the creation of the new unit should lead to improvements being made. The University's position in the league tables had also been hampered in the league tables by its past research performance but it was expected that this situation would be improved in the next REF.

The Board noted the paper and wished the Director of Strategic Planning all the best for her maternity leave.

BoG 10/18 STUDENT RECRUITMENT UPDATE

Paper 3 refers

This was presented by the Director of Strategic Planning in the absence of the PVC (Global Engagement). She told the Board that the figures for postgraduate recruitment were still moving and were now closer to 500. Recruitment at

undergraduate level had not been as good as had been hoped but this had been offset by foundation students with over 100 being recruited compared to a target of 60.

The PVC (Academic Strategy) said that two new foundation year courses were being developed in education. He said that of the 30 students who had completed the course last year, 28 had gone into the first year.

The Vice-Chancellor said that Institute of Education had done particularly well in its recruitment bucking the nationwide trend of fewer students going onto education courses.

The Committee noted that in table 1 it said that there were 87 repeat undergraduates with 11 not enrolled. The Committee commented that this figure seemed high. The Director of Strategic Planning said that they would check the data behind these figures. **ACTION**

BoG 11/18 MANAGEMENT ACCOUNTS FOR YEAR ENDING 31 JULY 2018

Paper 4 refers

These were presented by the Finance Director. He said that these were draft accounts until the Audit had been completed but this was now at an advanced stage and the numbers seemed to be quite stable. He said that the actuarial return on the pension scheme had yet to arrive but this would not have a material effect on the net profit and loss.

He told the Board that the draft accounts show a loss of £0.9m at EBITDA level and £5.6m net loss. He said that this was a slight improvement on what had been forecast last year being £1.6m favourable due to measures including the release of £0.4m contingency, £0.4m improvement in staff costs and a slight improvement in income.

The Chief Operating Officer (“COO”) said that he expected that the University would get clearance from the auditors at the end of the next week.

The Committee noted that the employers’ contributions to the Teachers’ Pension Scheme could increase to 23%. The Finance Director said that this could have a £800k impact but this figure had not been audited. It was agreed that the issue would be discussed at the March meeting of the Finance and Resources Committee.

ACTION

BoG 12/18 STUDENT RECORDS SYSTEM –APPROVAL OF REVISED BUDGET

Paper 5 refers

This was presented by the Finance Director. He told that Board that an Internal Audit had been carried out in relation to the acquisition process and this had given reasonable assurance. Since the last Board meeting those involved in its implementation have had the opportunity to interact with the system. A workshop had also taken place with stakeholders to develop a granular understanding as to how to use SITS. What had become clear was that the people cost was going to be significantly greater than had first been contemplated.

The Board had initially approved a budget of £2.1m for the system; however the cost of implementation was now estimated to be up to £3.4m. The Finance Director said that this was not a precise figure as the University had needed to look at the issue from a number of different perspectives as to whether fixed-term or permanent staffing would be more cost effective and that potentially the University may need to agency staff or consultants. A £400k contingency had therefore been factored into the revised budget.

The COO said that the University has constrained resources and this was a key reason for the increase in staff internally. The PVC (Academic Strategy) said that in his view the revised budget was realistic.

The Board said that the business model of the University meant that an internal view was needed as to whether it could make it through the “pinch points” of its cash flow and finances and that this was a high risk for the University. The Board also expressed its view that it was good to take the decision to change the budget early rather than later on during the project.

The Board asked whether it £3.4m was a reasonable figure. The Finance Director said that he thought that this amount was reasonable and the COO, Chief Information Officer and the Programme Director had all felt that it was sensible.

The Board voted on whether to increase the budget for the SRS to £3.4m. The vote was as follows:-

In favour: 8 votes

Against: 0 votes

Abstentions: 0

The increase in the Budget was therefore **approved** by the Board.

BoG 13/18 RDAP UPDATE

Paper 6 refers

This was presented by the Pro Vice-Chancellor (Research & Enterprise). She told the Board that the RDAP scrutiny team would be attending 34 meetings at the University. She said that part of their observations would include covering how well

the TDAP process was being implemented. The Scrutiny team would be observing meeting and gathering metrics with a lot of the work of the team already underway.

The Vice-Chancellor said that it was important for the University to consider whether it had been sufficiently self-critical in its approach to research and how it holds itself to account.

The Pro Vice-Chancellor (Research & Enterprise) told the Board that work was continuing in relation to the University's REF strategy.

BoG 14/18 SU PRESIDENT REPORT

Paper 7

The SU President said that the "Big Hello" Freshers event had been a success and the Union was currently looking at who had been engaging with that.

The Board were told about SMSU's year long mental health campaign which included the potential development of a mental health garden outside the reception. There was also going to be a new green campaign to reduce waste and energy consumption.

The SU President said that the Union had now moved into its new offices. This was more accessible to students and customer services had so far dealt with more than 2000 enquiries. A democratic review was currently being undertaken to assess its processes including the officer positions. The SU President had also taken part in the Learning and Teaching Festival which had been in her view successful and reassuring.

BoG 15/18 COMMITTEES TERMS OF REFERENCE

Papers 8 – 12 refer

These were presented by the Clerk. He explained to the Board that the Terms of Reference had been updated so that the quoracy requirements reflected those of the Board of Governors Regulations which was an action arising out of the 2016/17 audit on governance.

Finance and Resources Committee

The terms of reference for the Finance and Resources Committee for 2018/2019 were unanimously **approved** by the Board.

Audit Committee

The terms of reference for the Audit Committee for 2018/2019 were unanimously **approved** by the Board.

Academic Scrutiny Committee

It was noted that the list of required attendees at Academic Scrutiny did not include the PVC (Research& Enterprise). Subject to this amendment the terms of reference for 2018/2019 were unanimously **approved** by the Board.

Remuneration Committee

The Clerk informed the Board that following the publication of the CUC Code on Remuneration the Chair of Remuneration Committee could not be the Chair of the Board. The Chair of the Committee was now instead Dave Hartnett. The terms of reference for the Remuneration Committee for 2018/2019 were unanimously **approved** by the Board.

Nominations Committee

The terms of reference for the Nominations Committee for 2018/2019 were unanimously **approved** by the Board.

BoG 16/18 REPORT OF THE REMUNERATION COMMITTEE

Paper 14 refers

The Vice Chancellor, Chief Operating Officer, Senior Director of People, Clerk to the Board, Finance Director and Interim Director of Strategic Planning left the meeting

The minute of this item was provided by Dave Hartnett.

Dave Hartnett explained that he had been elected chair of the Remuneration Committee because the CUC Guidance on Remuneration said that the chair of the governing body should not also chair the remuneration committee. Dave Hartnett then took the governing body through the annual report of the remuneration committee. There were no questions or comments.

BoG 17/18 APPROVAL OF OVERDRAFT

This was presented by the Finance Director. This was an additional item that had been added to the Agenda. The following papers had been distributed to members:-

1. Paper by the Finance Director regarding the Renewal of the Overdraft Facility
2. HSBC Facility Letter

The Finance Director told the Board that he was looking for the Board to approve in principle the renewal of the £2m overdraft facility with HSBC. He said that it was

likely that the University would need to make use of the facility during the year in January/February 2019 when the University would be at a low point in terms of its cash position while waiting for SLC monies to be paid.

The Board was asked to approve the following:-

- i) To approve in principle to renew the £2m overdraft facility with HSBC on terms substantially in line with the Facility Letter attached.
- ii) To delegate authority to the Finance and Resources Committee (FRC) to approve the renewal of the overdraft facility on behalf of the Board of Governors once the final version of the Facility letter has been agreed.

The Board voted as follows:-

In favour: 7 votes

Against: 0 votes

Abstentions: 1

The Board therefore voted to **approve** in principle the renewal of the overdraft facility. Once the wording of the facility letter had been approved FRC would delegate the signing of the Facility Letter to the Chief Operating Officer, the Vice Chancellor or such other person as permitted in the Financial Regulations to sign the facility letter. **ACTION**

BoG 18/18 FINANCE AND RESOURCES COMMITTEE

Paper 15 refers

The minutes of the meeting held on 12 September 2018 were noted by the Board.

BoG 19/18 AUDIT COMMITTEE

Paper 16 refers

Minutes of the meeting held on 18 September 2018 were noted by the Board.

BoG 20/18 ACADEMIC BOARD

Paper 17 refers

The Vice Chancellor informed the Board that there was going to be some reconfiguration of the Academic Board membership following the move to faculties and these would be presented at the next meeting for approval by the Board.

The Minutes of the meeting held on 6 June 2018 were noted by the Board.

**BoG 21/18 LETTER FROM THE COMPANY SECRETARY OF STRAWBERRY
HILL ENTERPRISES TO THE BOARD OF GOVERNORS CONFIRMING
PAYMENT OF PROFITS AS GIFT AID**

Paper 18 refers

The letter was noted by the Committee.

DATES OF NEXT MEETINGS

22 November 2018

24 January 2019

28 February 2019 (Away Day)

16 May 2019

20 June 2019