



BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held on Tuesday 25 June 2019 at 5pm at St Marys University, Twickenham.

MINUTES

PRESENT:

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

IN ATTENDANCE:

Mrs Joanne Blunden – Chief Operating Officer
Mr Paul Bridge – PVC (Global Engagement)
Mr Andrew Browning – Clerk to the Governors and Legal Counsel (Minutes)
Ms Elizabeth Bell – Director of Strategic Planning
Professor John Charmley – PVC (Academic Strategy)
Rt Hon Ruth Kelly – PVC (Research & Enterprise)
Mr Jack Ritchie – SU Observer
Mr Richard Solomon – Chief Financial Officer
Ms Sophie Taupau – Head of Business Support

The meeting opened with a prayer.

MINUTES AND MATTERS ARISING

BoG 77/18 WELCOMES AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Claire McDonnell, Noreen Doyle, Jeff Cottle, and Fr Richard Finn.

The Chair welcomed the Director of Strategic Planning back to her first meeting of the Board following maternity leave.

Dr Christine Campbell who had been elected onto the Board by the Academic Board was welcomed to her first meeting. The Chair also asked that thanks be noted for the service of the previous Academic Board representative, Professor Anthony Towey.

Mr Jack Ritchie who has been elected as the Student Life President and will be sitting on the Board in the next academic year was welcomed to the meeting as an observer.

Ms Sophie Taupau, the Head of Business Support, who was attending the meeting to assist with the presentation of the Budget and Financial forecasts was also welcomed to the meeting.

BoG 78/18 DECLARATIONS OF INTEREST

The Vice-Chancellor will be leaving the University to become Vice-Chancellor at another HEI in Australia.

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

BoG 79/18 CHAIR'S BUSINESS

Election of Governors

The Chair informed the Board that David Brambell who had attended the Board meeting on 16 May 2019 as an observer had indicated that he was still willing to become a governor. He had met with members of the Nominations Committee and other governors who were of the view that he would be a suitable member of the Board. The Board therefore unanimously **approved** David Brambell's appointment to the Board.

BoG 80/18 MINUTES OF PREVIOUS MEETING

The minutes of 16 May 2019 were approved by the Board.

BoG 81/18 MATTERS ARISING

68/18 – REF Code of Practice – The draft REF Code of Practice has now been submitted.

ITEMS FOR DISCUSSION OR APPROVAL

BoG 82/18 VICE-CHANCELLOR'S REPORT

Paper 1 refers

The Vice-Chancellor's report covered the following:-

- i) Access and Participation Framework
- ii) RDAP Update
- iii) Mater Ecclesiae College
- iv) Recruitment Update
- v) Guardian League Table
- vi) Academic Board Report
- vii) High Profile Events

viii) Senior Staff Appointments

The Vice-Chancellor said that the RDAP report had been received from the QAA with request for fact checking ahead of it being submitted by 1 August 2019 by the Advisory Committee on Degree Awarding Powers. If it is positively received by the Committee then it will go to the QAA Board meeting and then onto the Privy Council for final approval. The Vice-Chancellor said that the report was solid with no obvious negative issues detected and therefore he was cautiously optimistic that there would be a favourable outcome. The Chair asked what the timescale was for RDAP status being approved by the Privy Council. The PVC (Research & Enterprise) said that the turn of the year would be a reasonable expectation.

The Vice-Chancellor said that in relation to the Mater Ecclesiae College (MEC) weekly meetings were taking place and nearly all of the actions for the University had been completed. The Vice-Chancellor said that he would be meeting with the Under-Secretary for Education at the Vatican. He said that he believes that the University has committed to and done everything that it said it would in order to bring the MEC to the University.

The Vice-Chancellor reminded the Board of the Graduations that were taking place on 17 and 18 July. He said that the Chancellor would be in attendance at the first graduation ceremony on 17 July.

The Board asked what the view was in relation to what may happen with the Augar Review. The Vice-Chancellor said that there had been a view that much of it would be shelved; however, in during the recent Conservative leadership elections reference had been made to there being more funding for Further Education which would potentially be at the expense of Higher Education. The Vice-Chancellor said that in his view there was still very little sympathy towards universities within Whitehall and that potentially Augar may be a non-Brexit policy that the Government may wish to promote in the future.

BoG 83/18 VICE-CHANCELLOR RECRUITMENT UPDATE

Paper 2 refers

This was presented by Edward Acton. He told the Board that since the paper was distributed the number of Executive Search firms who had tendered had now increased to 4 with a possible fifth firm tendering in the next few days. The University was therefore looking to select one of those as soon as possible. Professor Acton said that he had been speaking to members of SLT to get their views on the type of person who should become Vice Chancellor.

It was envisaged that there would be two stages to the application process. The first stage would be an interview in central London and the second stage would take place at the University once the numbers of candidates had been narrowed down. He said that he was wanting to press the case for prospective candidates to visit the University ahead of any interview and potentially meet the Vice-Chancellor or other senior staff.

Professor Acton reiterated his wish that the whole Board have ownership of the process and that all independent members of the Board have the opportunity to be involved in the shortlisting.

The Board **noted** the update.

BoG 84/18 KPI UPDATE

Paper 3 refers

This was presented by the Director of Strategic Planning. She said that she was currently waiting for the end of year data to be confirmed and this would be shared with Board when it next met in September. She said that for the internal retention data a monthly snapshot is taken and that an improvement on last year had been shown across all areas of the University. She said that it was particularly pleasing to see that there had been a significant improvement in withdrawals in year 2 which had fallen from 4.4% to 2.5%.

The Board were told that that National Students Survey results were due on 3 July. The Director of Strategic Planning said that these results were unpredictable and would have an impact on the University's place in the rankings next year.

The Director of Strategic Planning said that there had been a small overall rise to 77 in the Guardian rankings. An analysis of the University's performance showed that the areas that the University had dropped in were spend per student, entry tariff, career prospects, and degree completion. She said that in the subject rankings the subjects were mostly within deciles 3-6 with very few in the bottom decile.

The Board asked why employability had dipped. The Director of Strategic Planning said that it was a case of the University falling slightly while the rest of the sector seemed to have improved.

The Board identified Business as an area that needed improvement. The PVC (Academic Strategy) said that this problem had already been identified and that work was being done with the new Head of School to see what could be done.

The Board were pleased to see that Education had come top in London.

The KPI update was **noted** by the Committee.

BoG 85/18 STUDENT RECRUITMENT UPDATE

Paper 4 refers

This was presented by the PVC (Global Engagement). He repeated what he had said at previous Board meetings that the market is still flat across the whole undergraduate sector. He said that there was no source of data for PGCE applications; however, he was aware that PGCE recruitment in the sector was also struggling.

The PVC (Global Engagement) said that the University was currently 16 students behind last year for undergraduate recruitment. He said that the UCAS process closed that week and that the University had pretty much done all it could before UCAS reopened for clearing. He said that clearing last year managed to break even in terms of replacing applicants who decided not to take up places and that he hoped to improve on this.

In relation to PGT applications, 138 more offers had been made compared to last year. The University was also targeting all of its own students who were on target to getting a 2:2 or above this year and this was generating more enquiries and offers.

The rate of PGCE applications had improved slightly; however, the number of applications were 54 less than last year. The PVC (Global Engagement) said that there were still 78 applicants to interview but he was not confident that the University would close the gap.

The Board said that it was pleased to see that the number of PGT applications had increased and asked whether the University was looking at different models of delivery to attract more students. The PVC (Global Engagement) said that he felt that the University was not as sophisticated as it could be. The PVC (Academic Strategy) said that the Deans of the faculties were exploring possible teaching models. The Vice-Chancellor said that he was aware of two programmes which were using different models and that the University was looking at introducing others.

The Board asked about the partnership arrangement with the University of Arizona. The PVC (Global Engagement) said that there were some issues with the contract in relation to the GDPR requirements which needed to be ironed out. He said that there was some concern around SMULIC. The target was 44 students and to date there were 36 in the pipeline and it was not clear if the target would be met.

The Board asked what the additional monies allocated to recruitment in next year's budget would be spent on. The PVC (Global Engagement) said that it would be used to take on a resource dedicated to post-graduate recruitment which the University had not previously had, a resource for Catholic Schools outreach, and a campus events resource.

The Board **noted** the student recruitment update.

BoG 86/18 MANAGEMENT ACCOUNTS

Paper 5 refers

The management accounts to 30 April 2019 were presented by the CFO. He said that the University's operating profit is currently £1.3m ahead of budget due to effective cost control. He said that since "case for change" there had been a strong sense of commerciality and cost control. He said however that on the negative side income was adverse to budget primarily because of student recruitment. Enterprise was currently behind forecast but was expected to bounce back to an extent with short courses and conferencing but The Exchange was likely to remain adverse to budget. The cash position was better than expected at £3.5m and the University was not expected to use its overdraft this year.

The Board asked if the University had turned a corner in terms of its finances. The CFO said that there had clearly been a change of mentality when it came to cost however on the income side there needed to be more realistic forecasting and the University needed to tackle challenges more effectively as a team.

The Vice-Chancellor said that in terms of the volumes of decision-making and policies flowing through the University, there had been a significant step change. He gave the example of the physical relocation of a number of departments which in the past would have ended up being considered in the Vice-Chancellor's office but now being resolved at an operational level.

The Chair asked what the current situation was with The Exchange. Dave Hartnett told the Board that the matter of whether to activate the break clause in the lease had been discussed at FRC. Having reviewed the paper and the proposals for the use of the building the decision had been taken to continue with the lease. The Vice-Chancellor said that the figures for the Exchange were worrying but that the University could make more use of the marketing opportunities at the location as well as making more use of it as a teaching facility.

The management accounts were **noted** by the Board.

BoG 87/18 BUDGET 2019/2020 AND FINANCIAL PROJECTIONS 2020/2021

Paper 6 refers

Budget 2019/2020

This was presented by the CFO. He said that the preparation of the 2019/2020 budget had been an iterative process involving planning meetings with Heads of Departments. This process had ended with a gap of £600k to the £2.9m of operating profit that had previously been forecast to the OFS. There had subsequently been work with SMT to close this gap. While the teaching grant had been reduced there was a more benign view of where staff costs would finish up and the residue of the revenue investment fund had been eliminated. The net result had been that the University was budgeted to make the £2.9m operating profit.

The CFO said that there had been consideration of what additional investment could be put into recruitment. He said that the original request had been for £250k but that this could not be delivered without retreating from the £2.9m operating profit. The question had been how much could be given to recruitment without meaning that too many opportunities would slip by. This came to the compromise figure of £100k. This figure would be found by finding as yet undefined cost savings over the next 12 months.

Five Year Financial Forecasts

A five year plan is required to be provided to the OFS. The CFO said that the plan rolled forward the numbers of 2019/2020 budget. He said that conservative assumptions had been made in terms of student numbers and that no additional revenue had been worked into the forecasts from new initiatives. He said that the operating profits in these forecasts track closely to the previous trajectory. Additional savings had been embedded into the forecasts including operational savings. Such operational savings would include those that would be found from the implementation of the SRS.

Risks

The CFO said that there were a number of risks that the University had sought to take into account when developing the budget. This included there being a shortfall in the number of students recruited including those on Foundation year courses. The CFO said that if there was a shortfall he expected that the contingency contained within the budget should cover this. The CFO said that the attrition assumptions were conservative at 11% as in the past the University had been over-optimistic about these. The CFO said that he believed that the University had abided by the OFS guidance and there were no over-optimistic assumptions.

The Board asked what the University's response would be if the Augar Review were implemented and monies were taken away from HEIs and moved into FE. The PVC (Academic Scrutiny) said that there were two potential options. The first would be to setup a St Mary's FE College and the second would be to reach out to a local FE college for a partnership.

The Board asked if there was an absolute FTE number. The CFO said that in table 2 of page 3 of the paper it showed the budgeted FTE numbers and that they were tracking at a fall of 2%. He said that, on page 4, table 4 set out the budgeted number of FTE students that the University was looking to recruit and that currently there was a shortfall of 92. As the PVC (Global Engagement) stated it was hoped that this gap would be closed though clearing but

if this were not closed then it was expected that £680k of the £1.75 contingency would be used. The Director of Strategic Planning said that the University was unlikely to reach the 7500 students aspired to in Vision 2025 with the current recruitment streams and methods being employed by the University.

The Board asked what consideration was being given to models of delivery including digital delivery and asked whether this was an area of investment for the University. The CFO said that work was being done on learning capture to create more flexible delivery but that the view of how this should be done had not been settled.

The Board asked if the same model of attrition was being used for Foundation students as with other non-foundation students. The Director of Strategic Planning said that the same attrition rate had been applied as the University had not seen last years cohort of Foundation students go through the University.

The Board voted on whether to adopt the budget for 2019/2020 and the five-year forecasts. The vote was as follows:-

In favour: 9 votes
Against: 0 votes
Abstentions: 0

The budget and financial forecasts were therefore unanimously **approved** by the Committee.

BoG 88/18 APPROVAL OF APPOINTMENT OF EXTERNAL AUDITORS

Paper 7 refers

This was presented by the CFO. He said that a procurement process for external auditors had been carried out under the oversight of the Audit Committee. This had been carried out under the OJEU framework.

The existing auditors BDO were the only auditors to submit a tender. This was a high quality tender and in the CFO's view they have one of the strongest records with the regulators. Their fee proposals were also reasonable.

The Board voted on whether to approve the appointment of BDO as external auditors. The vote was as follows:-

In favour: 9 votes
Against: 0 votes
Abstentions: 0

The Board therefore **approved** the appointment of BDO as external auditors.

BoG 89/18 GOVERNANCE AUDIT

Paper 8 refers

This was presented by the Clerk. He told the Board that the annual internal audit of governance had been carried out and substantial assurance had been given. The Internal auditors had used the progress of "case for change" as a case study of the decision making

process for significant decisions. There were two actions arising from the audit and these were being completed over the summer.

The governance audit was **noted** by the Board.

BoG 90/18 STUDENTS UNION REPORT

The SU President gave an oral update to the Board. She said that the Summer Ball had taken place and there had been no noise complaints. She then gave a summary of what all of the sabbatical officers considered to be their highlights of the year.

The Board thanked the SU president for her service as a governor over the past 12 months and also passed on their thanks to Dan Barnes and Aly Hughes who are the outgoing sabbaticals for their hard work both for the Students' Union and the University.

PART B

ITEMS FOR NOTE INCLUDING DECISIONS UNDER DELEGATED POWERS

BoG 91/18 ACADEMIC SCRUTINY COMMITTEE

The minutes of the meeting of the Academic Scrutiny Committee held on 22 May 2019 were **noted** by the Board.

BoG 92/18 AUDIT COMMITTEE

The minutes of the meeting of the Audit Committee held on 23 May 2019 were **noted** by the Board.

BoG 93/18 FINANCE AND RESOURCES COMMITTEE

The minutes of the meeting of the Finance and Resources Committee held on 12 June 2019 were **noted** by the Board

BoG 94/18 ACADEMIC BOARD

The minutes of Academic Board which took place on 1 May 2019 were **noted** by the Board.

BoG 95/18 GOVERNORS ATTENDANCE RECORDS

The Governors attendance records were **noted** by the Board.

ANY OTHER BUSINESS

BoG 96/18 DATES OF FUTURE MEETINGS

Tuesday 24 September 2019
Thursday 21 November 2019
Thursday 30 January 2020

Thursday 12 March 2020 (Away Day)
Thursday 14 May 2020
Thursday 18 June 2020

BoG 97/18 GRADUATIONS

17 & 18 July 2018

END

Appendix 1

Action Tracker

Minute No.	Action	Due Date	Completed
BoG 49/18	Skills review to be completed and discussion at Board meeting regarding outcome of review	16 May 2019	
BoG 49/18	Recruitment process of Governors to be sped up	20 June 2019	
BoG 49/18	Job descriptions of Chair, Vice Chairs, and Committee Chairs to be drafted	16 May 2019	
BoG 49/18	Performance discussions of governors to be reinstated	20 June 2019	
BoG 49/18	Record of attendance at Board meetings to be included in Board papers	Ongoing	
BoG 51/18	Modern Slavery Statement to be updated on University website	16 May 2019	16 May 2019
BoG 68/18	REF Code of Practice be approved by the Board	31 May 2019	31 May 2019

Appendix 2

Decision Tracker

Minute	Summary of Decision
51/18	Approval of modern slavery statement
68/18	REF Code of Practice approved.
87/18	Approval of Budget 2019/2020 and Financial Projections
88/18	Approval of BDO as external auditors