



BOARD OF GOVERNORS

MINUTES OF MEETING

A meeting of the Board of Governors will be held on Tuesday 24 September 2019 at 5pm in the Waldegrave Drawing Room.

Present

Mr David Brambell
Dr Christine Campbell – Staff Governor
Professor Francis Campbell – Vice-Chancellor
Ms Noreen Doyle
Rev Richard Finn OP
Mr Dave Hartnett
Rt Rev Richard Moth - Chair
Ms June Mulroy
Professor Anne Moran
Mr Jack Ritchie – Student Life President

In Attendance

Ms Elizabeth Bell – Director of Strategic Planning
Mrs Jo Blunden – Chief Operating Officer
Mr Paul Bridge – PVC (Global Engagement)
Mr Andrew Browning – Clerk to Board and Legal Counsel (Minutes)
Professor John Charmley – PVC (Academic Strategy)
Rt Hon Ruth Kelly – PVC (Enterprise and Research)
Professor Roger King - Observer
Mr Richard Solomon – Chief Financial Officer

MINUTES AND MATTERS ARISING

BoG 1/19 APOLOGIES FOR ABSENCE AND WELCOMES

Apologies for absence had been received from Claire McDonnell, Jeff Cottle, and Kristen Pilbrow.

Professor Roger King was welcomed to the meeting as an observer with a view to his joining the Board.

BoG 2/19 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.

Dave Hartnett declared an interest in item 9.2 (Borrowing Facility with Barclays).

The Clerk said that he and the members of the Senior Leadership Team were declaring an interest in item 14 (Report of the Remuneration Committee).

BoG 3/19 MINUTES OF PREVIOUS MEETING

The minutes of the meeting which took place on 21 June 2018 were **approved** by the Board.

BoG 4/19 MATTERS ARISING

There were no matters arising

ITEMS FOR DISCUSSION OR APPROVAL

BoG 5/19 VICE-CHANCELLOR'S REPORT

Paper 1 refers

The paper was taken as read by the Board. The Vice-Chancellor said that the new academic year had now started and the timetable for semester 1 had been successfully implemented.

The Vice Chancellor said that in relation to the Liverpool Hope issue an agreement had been reached between the two parties regarding the reporting of PhD students on the HESA Returns. He said that this issue had shown a clear change in culture in the OFS regulatory regime compared to HEFCE in that the OFS would not adjudicate between the two bodies.

The Board were informed that the OFS had requested further information from the University regarding its recent increase the number of students achieving "good honours". A response has been sent stating that a change in the algorithm was the reason for the increase. The Vice-Chancellor explained that the previous algorithm had been one that had been inherited from the University of Surrey when it validated St Mary's degrees. This algorithm had since been changed by Surrey as it was outdated; however, St Mary's had continued to use it. The PVC (Academic Strategy) said that the new algorithms were more reflective of the attainment of the students. To date, aside from acknowledgment of receipt, the University had heard nothing further from the OFS.

The Vice Chancellor told the Board that the revised draft of the REF Code of Practice has been submitted. In relation to RDAP the University remained optimistic that it would be successful in its application.

The Board were told that the MEC has now come into operation and the first 15 students had arrived.

BoG 6/19 KPI – NSS UPDATE

Paper 2 refers

This was presented by the Director of Strategic Planning. She said that the NSS had come out in July. She said that the results had been disappointing compared to 2018 and the University had fallen back to around where it was in 2017 at 84.3% but above the sector average of 83.1%.

Within the specific categories the University had remained strong in learning community and student voice with the free text comments stating that the University community was close-knit, that students felt well supported and there were positive comments about pastoral care. There were still issues with Organisation and Management and Assessment and Feedback with in-year changes to timetables being an issue, a need for quicker feedback and “case for change” being raised.

The Director of Strategic Planning said that an action plan had been prepared which would be across the University at both faculty and programme level.

The Board asked why there had been changes to the in-year timetable. The Director of Strategic Planning said that it was not clear from the comments as to what the scale of the issue was.

The Board noted that there had been a significant drop in satisfaction within Drama and Theatre Arts. The Vice-Chancellor said that there had been staff related issues following the departure of the previous head. He said that when the problems within the department had been brought to the attention of senior management it was too late to make changes before the NSS.

The Board were disappointed that there had been a significant drop in Organisation and Management. It asked to what extent were individual and staff groups taking responsibility for these. The PVC (Academic Strategy) said that the problematic areas were being asked to produce a plan to resolve these issues.

The Director of Strategic Planning also discussed the University’s performance in the Sunday Times Good University Guide. The University had dropped 8 places to 85th in the table. She said that the University had lost ground on the NSS and entry tariff but had improved in completion and good honours. The drop in the rankings was not unexpected due to the NSS. The Director of Strategic Planning said that there was going to be more focussed analysis on the reporting of facilities spend so future rankings should see some improvement with the investment in SRS and campus improvements.

Within the University’s competitor group the University of West London had done well and the University would be analysing what they had done to improve its own position.

The Board asked about the TEF. The University is likely to take part in the next TEF exercise and the view was that it would probably maintain its silver position.

The Vice Chancellor said that it was remarkable that the University did not take a bigger hit in the NSS following Case for Change. He said that incremental improvement would be better than dramatic rises and falls in the rankings and NSS.

BoG 7/19 STUDENT RECRUITMENT UPDATE

Paper 3 refers

This was presented by the PVC (Global Engagement). He told the Board that he is increasingly confident that the University’s recruitment numbers would fall into the “central scenario” in which it would be 150 FTE below target. This would leave a financial shortfall of £0.9m against budget which was within the £1.75m contingency.

The market had been particularly tough this year with the sector only increasing by 0.11%; however, while the University’s competitor set had experienced a drop of 3.74% in applications while the University had a small 1% increase compared to 2018.

38% of UCAS applicants had received unconditional offers. It is currently unclear what the effect of this was on the University as it did not make offers of this type. Further analysis would be carried out to decide on what the policy should be next year.

During clearing and confirmation more calls had been generated and academics were available to speak to potential students. Marketing had invested in more media with advertising being brought forward. The cost of media had increased due to the competitive nature of the market.

473 offers had been made during clearing. The new auto-serve system for those not wanting to take up a place at the University had arguably led to an increase in students withdrawing with there being 216 withdrawals compared to 147 last year.

The Board asked whether the University had benefited from the collapse of GSM. The PVC (Global Engagement) said that the University had gained 9-10 students and there were approximately a further 20 who may wish to continue their Law and Business studies at the University.

The Board were told that the figures were less certain for PGT students as they usually start the application process and register later than undergraduates. The PVC (Global Engagement) said that he was confident that around 500 PGT students would enrol. The numbers for PGCE were expected to hold at around the same figures as last year in what is a difficult market with the OFSTED outcome helping the University's recruitment figures to be maintained. The University was starting to gain traction with SMULIC with higher than expected recruitment.

The Board asked what conversion was like from the Foundation Year. The PVC (Global Engagement) said that these students were considered to be continuing students so were not counted in his figures. He said that the target for Foundation Year students had been very aggressive for 2018/2019 being set at 200. The University had managed to recruit between 160-170 students which was in his view a strong performance as other Universities were willing to let students enrol onto undergraduate programmes with few UCAS points than previously.

The PVC (Global Engagement) said that the University was now looking forward to the next UCAS cycle. There was going to be an Open Day in October and the numbers were slightly up for this. Analysis was being carried out using the CRM to establish what had and had not worked. Postgraduate-taught courses would now have their own prospectus. The University was looking to engage a resource in China to build on its work to improve international recruitment. More resources were being put into the targeting of faith schools; however, there would be a time-lag in seeing this work pay off.

The Board noted that the targets set had been quite stretching. The PVC (Global Engagement) said that the University was working on what the target for next year would be. The Chief Financial Officer said that recruitment targets would be agreed over a number of rounds and these were stretching in part due to the aims of Vision 2025. The Vice-Chancellor said that it was a very volatile student market and that 80% of the private providers were within the M25. He felt that the University had done well with the auto-release system.

The Board noted the report and thanked the recruitment team for their hard work.

FINANCIAL MATTERS

BoG 8/19 Management Accounts to 31 July 2019

Paper 4 refers

The management accounts were presented by the Chief Financial Officer. He told the Board that the first drafts of the Annual Report had been received by FRC and the Audit Committee and the University was on track to producing the final version for approval in time for the next meeting of the Board.

The Board were told that the University had performed better than its budget and forecasts and had made a profit of £84k. There would however need to be an adjustment made to accounts for the McCloud pensions judgment which would mean that the University would come out at loss for the financial year. This adjustment would be reported in the accounts as an “exceptional item”.

The Board were told that Case for Change had delivered the savings required and one year later cost control had remained especially in relation to non-staff costs. It was always the case that cashflow was cyclical.

The Board asked about the performance of the Exchange. The CFO said that the Exchange was not performing as well as the University would like and further refinement was needed in terms of deciding what value can be given to it as a teaching space. The PVC (Enterprise and Research) said that there was a tension between the use of the space as a teaching resource and its use for pure commercial reasons.

The Board **noted** the Management Accounts.

BoG 9/19 Borrowing Facility with Barclays

Paper 5 refers

This was presented by the Chief Financial Officer. He told the Board that the University had a low level of facility for a business of its size. There had been exploration of potential options and Barclays had offered a £2m overdraft if the University did its day to day banking with them together with a £3m revolving credit facility.

The CFO said that he was happy with the level of pricing provided. HSBC had offered to match the overdraft however they had been unable to match the offer on the revolver and no other provider seemed likely to come near.

There was a £15k arrangement fee to set up the facility together with legal costs of between £6-8k. The credit facility was being arranged for five year period so these sums should not be material to the decision. It would be necessary to obtain the consent of the OFS and Santander for the credit facility.

The matter had been discussed at FRC and the CFO said that there had been discussion around keeping day to day banking with HSBC while taking the revolver with Barclays. It was however the case that Barclays had been more responsive and moving both over to Barclays provided a cleaner narrative for the OFS.

Dave Hartnett confirmed that there had been a good discussion at FRC regarding the issue and that the Committee had been in favour of moving the University's day to day banking facilities to Barclays and taking the credit facility.

The Board voted on the following resolution:-

- i) To move the day to day banking of the University to Barclays.
- ii) To accept the £2m overdraft facility with Barclays.
- iii) To accept the £3m revolving credit facility with Barclays.

A vote was taken and the voting was as follows:-

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

The resolution was therefore **approved** by the Board.

BoG 10/19 VICE-CHANCELLOR RECRUITMENT UPDATE

Paper 6 refers

This was presented by the Clerk. The paper outlined the timetable for the recruitment and interview process for appointing a new Vice-Chancellor. The Board **noted** the paper.

BoG 11/19 STUDENTS UNION REPORT

Paper 7 refers

This was presented by the Student Life President. He said that Freshers fortnight had been a success although there had been a change in student demand in terms of attendance at some events. There had only been 7 noise complaints from local residents compared to over 20 last year.

Forthcoming campaigns included Black History Month and continuing the campaign supporting student mental health. The Union was also going to be promoting Movember.

The new commuter lounge for students had been considered a great success and was being used by students who live off campus.

The Board **noted** the Students Union Report.

GOVERNANCE

Committee Terms of Reference

BoG 12/19 Finance and Resources Committee

Paper 8 refers

The terms of reference of the Finance and Resources Committee for 2019/2020 were **approved** by the Board.

BoG 13/19 Audit Committee

Paper 9 refers

The terms of reference of the Audit Committee for 2019/2020 were **approved** by the Board.

BoG 14/19 Academic Scrutiny Committee

Paper 10 refers

It was agreed that further work was required on the terms of reference of the Academic Scrutiny Committee. These would come before ASC when it met in November and would be considered at the next meeting of the Board.

BoG 15/19 Remuneration Committee

Paper 11 refers

The terms of reference of the Remuneration Committee for 2019/2020 were **approved** by the Board.

BoG 15/19 Nominations Committee

Paper 12 refers

The terms of reference of the Nominations Committee for 2019/2020 were **approved** by the Board.

BoG 16/19 Board of Governors – Cycle of Business 2019/2020

Paper 13 refers

The cycle of business for 2019/2020 for the Board of Governors was **noted** by the Board.

BoG 17/19 FINANCE AND RESOURCES COMMITTEE

Dave Hartnett provided an overview of what was discussed at the meeting of FRC held on 18 September 2019. He said that most of what had been discussed during the Committee meeting had been discussed at the Board meeting. He said that the Student Records System had also been discussed of which there had been some concerns regarding reaching the milestones but that this issue was being gripped tightly by senior staff. There had been a lot of hard work done in relation to health and safety compliance by the Director of Estates. The Committee had also received an update on the “Student Heart” project and the review of Enterprise was currently ongoing.

BoG 18/19 AUDIT COMMITTEE

June Mulroy provided an overview of the meeting of the Audit Committee held on 20 September 2019. She said that the University had received a “moderate” level of assurance from the Internal Auditors which was an improvement on the previous year and was the level that most HEIs expected to be given. She said that the Committee had received an iteration of the draft Annual Report and were pleased with the progress that had been made in producing this.

BoG 19/19 Letter from the Company Secretary of Strawberry Hill Enterprises to the Board of Governors confirming payment of profits as Gift Aid

Paper 17 refers

The letter from the Clerk in his capacity as Company Secretary of Strawberry Hill Enterprises was **noted** by the Board.

BoG 20/19 Board of Governors Attendance Register

Paper 18 refers

The Board of Governors Attendance Register was noted by the Board.

BoG 21/19 REPORT OF THE REMUNERATION COMMITTEE

Paper 14 refers

All non-members of the Board (with the exception of the Clerk) and the Vice Chancellor left the meeting.

This was presented by Dave Hartnett in his capacity as Chair of the Remuneration Committee. He said that Vice-Chancellor's salary for 2018/2019 was amongst the lowest in the country and he had previously been unwilling to accept a pay rise. He had on this occasion been awarded a 33.3% which the Remuneration Committee believed brought the salary for the post closer to being in line with the rest of the sector and also to take account of the salary expectations of the new Vice-Chancellor when they were appointed.

The Board **noted** the report of Remuneration Committee.

ANY OTHER BUSINESS

None

DATES OF FUTURE MEETINGS

21 November 2019
30 January 2020
12 March 2020 (Away Day)
14 May 2020
18 June 2020

END