



BOARD OF GOVERNORS

A meeting of the Board of Governors held on Thursday 30 January 2020 at 5pm in the Waldegrave Drawing Room, St Marys University, Twickenham.

MINUTES OF MEETING

PRESENT

Mr David Brambell
Dr Christine Campbell – Staff Governor
Ms Noreen Doyle
Professor Francis Campbell - Vice-Chancellor
Fr Richard Finn
Mr Dave Hartnett
Professor Roger King
Professor Anne Moran
Rt Rev Richard Moth - Chair
Ms June Mulroy
Mr Pietro Palladino
Mrs Kristen Pilbrow – Staff Governor
Mr Jack Ritchie – Student Life President

IN ATTENDANCE

Mrs Elizabeth Bell – Director of Strategic Planning
Mrs Jo Blunden – Chief Operating Officer
Mr Paul Bridge – PVC (Global Engagement)
Mr Andrew Browning
Ms Fiona Hnatow – Director of Human Resources
Rt Hon Ruth Kelly – PVC (Research & Enterprise)
Mr Richard Solomon – Chief Financial Officer

MINUTES AND MATTERS ARISING

52/19 WELCOMES AND APOLOGIES FOR ABSENCE

The Director of Human Resources, Fiona Hnatow, was welcomed to her first meeting of the Board of Governors.

Apologies had been received from the PVC (Academic Strategy).

53/19 DECLARATIONS OF INTEREST

The Vice-Chancellor stated that he would be joining another higher education institution in Australia.

54/19 MINUTES OF PREVIOUS MEETING

The minutes of the meeting that took place on 21 November 2019 were approved by the Board.

55/19 MATTERS ARISING

There were no matters arising.

56/19 VICE-CHANCELLOR'S REPORT

Paper 1 refers

The Vice-Chancellor said that a response to the request from the OFS for information as to how the University communicates information on changing course and/or HEI to students was ready for submission and this would be done tomorrow. No feedback had been received from the OFS on the previous submission by the University regarding its student protection plan.

The Vice-Chancellor said that the Scottish Government had voiced no objections to the setting up of a campus in Edinburgh which was being discussed later in the meeting.

The Board were told that SMULIC had grown rapidly and as a consequence the University was requesting approval from the Home Office for an additional 150 CAS applications. The Committee asked whether the University had confidence in its team to handle such an increase. The COO said that the risk fell within registry and this issue had been discussed at length. A mini audit of the University's processes was being carried out to ensure that the University was compliant and so that it would be ready for any external audit that may be carried out.

The Board **noted** the Vice-Chancellor's report.

57/19 LONDON LIVING WAGE

Paper 2 refers

This was presented by the Director of Human Resources. The University has been an accredited London Living Wage ("LLW") employer since September 2013. The 2018 rate was £10.55 per hour and the new rate that was published in November 2019 was £10.75 per hour. The University has 6 months within which to implement the new rate or lose its accreditation.

The Director of Human Resources said that there were benefits to the LLW. It was important to pay University staff enough money to live on. The LLW also assists in closing the gender pay gap. It was also the case that even if the University were to outsource the functions which had the highest staff numbers receiving the LLW any contractor engaged to perform those services would have to pay the LLW for the University retain its accreditation. The Director Human Resources said that if the LLW was retained then there would be a need to review the existing pay and banding structures.

The Board were told that since 2013 the LLW has increased by 25.7%. The financial implications of adopting the new rate of the LLW was £52k. If the LLW continued to increase at a similar rate it would have an impact on the University's pay and banding structures with there being no salary differential between supervisory and operational roles in catering and housekeeping.

The matter had previously been discussed at FRC and the view was that the University could at present flex around the increase. The CFO said that he had more concerns last year than he had this year regarding continuing to pay LLW.

Board members expressed the view that it was important for the University to be a LLW employer and it was part of the University's identity. There were both benefits and costs to this. Currently there was no strong economic argument that the University should surrender its accreditation. The Board also noted that the University was sited in an expensive part of London and as a separate issue did not pay London weighting to its academic or professional staff.

The Board voted on whether to implement the LLW from April. The vote was as follows:

In favour: 12 votes

Against: 0 votes

There was 1 abstention

The Board therefore **approved** the implementation of the LLW from April 2020. It also requested that a review of the pay and grading structure in the context of the projected LLW increases be completed by September for consideration by the Finance and Resources Committee **ACTION**

58/19 VICE-CHANCELLOR RECRUITMENT

Paper 4 refers

This was presented by the Clerk. He confirmed that a meeting of Board members had taken place on Wednesday 15 January and that the appointment of Anthony McClaran had been approved with a start date of 20 April 2020. Dave Hartnett would be the interim Vice-Chancellor from 1 February until Anthony McClaran's arrival and there would be a two-week handover period. The Board expressed its thanks to all those involved in the recruitment process.

The Director of Human Resources left the meeting.

59/19 EDINBURGH CAMPUS

This was an additional paper which had been circulated to Board members on 29 January 2020. It was presented by the Chief Financial Officer. The Board had previously agreed in principle to the setting up of a campus in Edinburgh.

The Board were told that the University had only received the draft lease early this week and this was attached to the paper. It was intended that the University would be setting up a postgraduate campus in Edinburgh which would have a focus on Theology. The University had received confirmation that day from the Scottish Government that there was not a need to seek regulatory approval as the it would not qualify for student loans as it was not a distinct Scottish institution.

The Board were told that it would cost in the region of £100k to refurbish the premises. This sum would need to be approved by the Board as it was additional capital expenditure falling outside of budget.

The Board asked how the University was looking to recruit students and what was their potential start date? The CFO said that recruitment was beginning in the Spring ahead of an autumn start. This was a tight timescale; however, it was believed that there was a market in Scotland and the University also had the benefit of the support of the Catholic Church in Scotland.

The Board were asked to approve the following:-

1. The approval of additional capital expenditure on the Edinburgh Campus up to £100k.

This was unanimously **approved** by the Board.

2. That the Vice-Chancellor and the Clerk to the Board of Governors be permitted to enter into a lease with the Trustees of the Archdiocese of St Andrews and Edinburgh for the use of the Gillis Centre on the basis that further negotiations are required, and that final decision to sign will be based on advice received from Legal, Estates and Campus Services and Finance.

This was unanimously **approved** by the Board.

60/19 KPI UPDATE

Paper 5 refers

This was presented by the Director of Strategic Planning. She told the Board that the NSS had just been launched and the University was currently working with the Students' Union to get a high response rate. The SU are currently running their separate "Love Your Union" campaign which promotes the positive aspects of being a student at St Mary's.

The Board were told that the percentage of students getting good honours had remained broadly the same although there has been a significant increase in the numbers of students getting first class degrees. There had been attempts to close the gap between the attainment of BAME students and white students and consequently there was an increase in the number of BAME students getting first class degrees. Despite this explanation, it was likely that the OFS would be in contact to ask the University about the number of its students achieving good honours.

The Director of Strategic Planning said that retention figures for year 1 students had improved on last year. There had however been an increase in withdrawals in year 1 of the foundation year. It was a case of the University trying to establish what the pattern was for foundation year retention figures so that it could respond.

The Board asked why there were high withdrawal rates for Chelsea FC Coaching & Development programme and the International Business Management Programme? The Board were told that in relation to the Chelsea FC programme the reasons seemed to be varied and had much to do with the demographic of those who were on the course with many of them being students who had previously been working and had returned to study.

In relation to the International Business Management programme, the Board were told by the PVC (Global Engagement) that there was an issue with the competency in the comprehension of English by some of the international students on the programme which was leading to a higher than expected attrition. Steps had been taken to deal with this including the cancellation of an arrangement with one agent, more face to face interviews, and more rigor in checking qualifications.

The Board **noted** the KPI update.

61/19 MANAGEMENT ACCOUNTS

Paper 6 refers

The management accounts to 30 November were presented by the Chief Financial Officer. He told the Board that the University was currently reporting a net surplus of £0.5m which was £0.7m ahead of a budgeted deficit of £165k. He said that there was a note of caution however as the University was currently underspending on non-staff expenditure by £0.5m and this was

likely to increase as the year went on. There was also likely to be a reduction in income due to attrition but there had been some benefit from the success of SMULIC.

The Board were referred to Appendix II of the accounts where the Net Surplus/Deficit was shown to be positive.

The Board **noted** the management accounts.

62/19 PLANNING ROUND

Paper 7 refers

This was presented by the Director of Strategic Planning and the Chief Financial Officer. The Board were told that the planning process had been established so that a financial plan could be mapped out for each budget.

The CFO said that reference was made to the five-year financial projections submitted to the OFS and that it was important to stick to the trajectory that had been shared with them. The income for the forthcoming financial year was likely to be similar to the current financial year. This combined with the cut in the teaching grant from the OFS meant that in 2021 it would be necessary for the University to target higher income. There was a risk that if the University were to roll forward this reduction in income then it could continue to undershoot its targets in future years. To offset this risk the University needs to free up around £1.25m. It had therefore been proposed by SLT that this would be achieved by £750k of focussed cost cuts and aggressively targeting £500k of revenue initiatives.

The Board **noted** the update on the planning round.

63/19 STUDENT RECRUITMENT UPDATE

Paper 8 refers

The PVC (Global Engagement) presented the update on student recruitment. He said that the undergraduate market was still very flat at present. UCAS had now closed its window and would be re-opening in February. There had however been more direct applications than there had been in previous years. It appeared that the trend for late applications was continuing with research suggesting that one third of students were entering clearing as an active choice. The University needed more courses to market and it was positive that physiotherapy was now coming online. PGCE applications were strong; however, law and criminology remained a problem.

International recruitment was strengthening with the partnership with Assumption University in Thailand proving to be fruitful. SMULIC was also expected to have a bigger intake in September.

The Board were shown the new prospectus that had been developed by the marketing team. Its size and format had been changed with a more intuitive structure. The University had also developed a new virtual tour of the campus and each subject had a specific video prepared.

The Board **noted** the Student Recruitment Update.

64/19 APPROVAL OF FINANCIAL REGULATIONS

Paper 9 refers

This was presented by the Clerk. He told the Board that the Financial Regulations were in need of an update due to the change in structure at senior level and the need to streamline the process of approving out of budget expenditure.

The financial regulations were unanimously **approved** by the Board.

65/19 REF UPDATE

Paper 10 refers

This was presented by the PVC (Research & Enterprise). She told the Board that the REF Away Day had taken place last month with participants including the Chair of ASC, the Deans, and members of the senior leadership team. The University had been working on establishing its potential position and it was aiming to do well amongst other institutions within the Cathedrals Group. The University was looking to get the work on the REF returns prioritised. A weekly telephone meeting was taking place to discuss progress toward meeting the necessary deadlines.

The Board wanted to be reassured that the targets which had been set within the REF process would be met. There was some concern that the time was now limited and that there was a risk of slippage. It was felt that there needed to be sufficient incentives for the academic staff and management to complete the necessary actions. The Board also felt that there was a need for the University to look forward and have systems in place for subsequent REF processes.

The PVC (Research & Enterprise) said that there had been some slippage in meeting targets but work was being done to catch up on these and she believed that they could be met. Workload levers were being used on the faculty side so that these could be completed. She said that it was expected that the return from SHAS would be very strong. Work was needed on EHSS which was made up of a number of smaller units.

The Vice-Chancellor said that the Audit Committee, Academic Scrutiny Committee, Academic Board, and University Research Committee all had a role in the REF exercise. He said that the weekly REF meeting was designed to address issues and assist in ensuring that people adhered to deadlines. He said that the process was open to question and challenge which should assist in the submission being up to the expected standard.

The Board **noted** the REF Update.

66/19 APPROVAL OF MODERN SLAVERY STATEMENT

Paper 11 refers

This was presented by the Clerk. The Modern Slavery Statement was unanimously **approved** by the Board.

67/19 STUDENTS UNION REPORT

Paper 12 refers

This was presented by the Student Life President. He told the Board that the University's Movember fundraising campaign had raised £2500. In February an exhibition was being planned for LGBT month. There was also a campaign planned to raise awareness of non-visible disabilities such as epilepsy and diabetes. The SU had also set a target of raising £10k for RAG.

The Board **noted** the report from the Students' Union.

68/19 ANY OTHER BUSINESS

VALEDICTION

It was the last Board meeting for the University's Vice-Chancellor, Professor Francis Campbell, as well as it being his last day at the University. On behalf of the Board the Chair thanked Professor Campbell for his service to the University and wished him all the best in his new role as Vice-Chancellor of the University of Notre Dame in Australia. Professor Campbell thanked the Board for these good wishes and wished both the interim Vice-Chancellor, Dave Hartnett, and the new Vice-Chancellor, Anthony McClaran well when they took up their posts.

DATES OF FUTURE MEETINGS

12 March 2020 (Away Day)

14 May 2020

18 June 2020

END