

Approved Minutes

Present

Mr Graham Raikes MBE (Chair)	Independent Governor	GR
Mr John Searson (Deputy Chair)	Independent Governor	JS
Mrs Emma van der Lugt (Deputy Chair)	Independent Governor	EvdL
Prof Rob Warner	Vice-Chancellor	RW
Dr Greg Borne	Academic Staff Governor (Senate Elected)	GB
Mr Stephen Criddle OBE	Independent Governor	SC
Mrs Kate Doodson	Independent Governor	KD
Miss Lauren Edwards	Student Governor; President, Marjon Student Union (MSU)	LE
Mr Matt Evans	Independent Governor	ME
Mr Alex Hawtin	Independent Governor	AH
Mrs Victoria Holbrook	Independent Governor	VH
Rt Rev'd Nick McKinnel	Independent Governor	NM
Mrs Ruth Mounstephen	Independent Governor	RM
Rev'd Prof Gina Radford	Independent Governor	GiR
Prof Gary Shum	Academic Staff Governor	GS
Mrs Lynn Tamsett-White	Professional Services Staff Governor	LTW
Mrs Jackie Westerman	Independent Governor	JW

In attendance

Mr Will Mintram	Deputy President, Marjon Student Union	WM
Rev'd Michelle Parkman	University Chaplain	MP
Mrs Jessamie Thomas	Governance Officer (note taker)	JT

In attendance (SMT members)

Prof Michelle Jones	Deputy Vice-Chancellor	MJ
Prof Ian Luke	Pro Vice-Chancellor (Academic)	IL
Ms Katy Willis	Pro Vice-Chancellor (Student Success)	KW
Mr Simon Arthurs	Chief Operating Officer & Director of Finance	SA
Mr Stephen Plant	University Secretary & Registrar	SP

Approved Minutes

1. Welcome, Apologies & Declaration of Conflicts of Interests

- 1.1 The Chair, Graham Raikes, welcomed colleagues, particularly newly elected MSU Deputy President, Will Mintram. At GR's invitation, University Chaplain, Rev'd Michelle Parkman, opened the meeting with a prayer.
- 1.2 Apologies were received from Prof Patricia Hind and Jacynth Ivey MBE.
- 1.3 Written declarations of interest were included in Part B. The standing declaration of Matt Evans, whose employer hired office space on campus, was noted. No new declarations were made.
- 1.4 GR asked if colleagues wished to 'unstar' any of the items in Part B which were for information; none were identified and they were accepted as given. The opportunity to comment on items in Part B for approval would be provided later during the meeting.
Rev'd Prof Gina Radford joined the meeting

2. Report from Vice-Chancellor

- The report 'By Summer 2023' was received. GR invited the Vice-Chancellor, Prof Rob Warner, to present an overview of what RW described as a framework of expectations for a period of transformative opportunities in the development of Marjon.
- 2.1 RW summarised targets in ten key areas: student numbers; research and Research Degree Awarding Powers (RDAP); league tables; nursing and allied health; Marjon Global; University vitality and community engagement; Estate development and the climate emergency – Marjon Zero; office space and digital integration; Marjon Student Union(MSU); finance.
 - 2.2 In the context of moving forward out of the Covid-19 pandemic, RW noted the trajectory from recovery to strategic advance, at the end of what had been a very demanding period. RW thanked members of the Board of Governors (BoG) for their support. He noted the importance of stabilising the number of meetings in the next calendar year, to avoid overload of both staff and BoG. RW reiterated the invitation to BoG to attend an all-staff appreciation event later in the month, which would also serve as a thank you to the NHS, with guests invited from Derriford Hospital. Civic dinners and events would be scheduled for the coming year.
 - 2.3 RW noted that the draft budget, to be discussed at item 8, was deliberately conservative and would be brought for approval in November 2021, once student numbers had been confirmed. RW commented on the national picture regarding HE funding and how the 'tuition fee' (which covered far more than this) had been frozen since 2016 and the associated challenges of this position.
 - 2.4 Marjon's success in supporting students' learning via focused 'bite-size chunks' of video teaching had been recognised and RW invited Pro Vice-Chancellor, Prof Ian Luke, to comment on this.
 - 2.5 A Hybrid Working Policy had been created, taking into account feedback from staff in a Pulse Survey, to balance home-working with the benefits of being on campus, including visibility to students and staff. RW invited BoG members to contribute a five minute presentation to an upcoming city/region forum he would be hosting for business and civic leaders, to explore hybrid working. **ACTION: ALL**

Approved Minutes

- 2.6 RW noted that new national proposals for teacher training had been announced, which, despite being problematic and centralising and causing some universities to threaten withdrawing from teacher training, should be able to be aligned well with Marjon's expertise and approach.
- 2.7 RW invited Pro Vice-Chancellor, Student Success, Katy Willis to summarise the National Student Survey (NSS) results which had been published the previous day. KW noted that these were extremely positive, above benchmark for 26 out of 27 questions. Marjon was in the top 5 nationally in 12 out of these 27, 1st for learning community, 2nd for student voice, 3rd for learning opportunities, 3rd for student union, 4th for teaching on my course. In response to a question, KW explained that the one area where Marjon was (marginally) below benchmark was learning resources, perhaps due to not all resources being available in the early part of this year (due to Covid restrictions) when the survey was conducted. A press release would be issued and the achievements celebrated and it was suggested that a campaign spread over time would be useful so as to widely celebrate Marjon's approach rooted in student success.
- 2.8 RW was thanked for his report and update.

3. International Strategy

- 3.1 The report was received. GR thanked Pro Vice-Chancellor, Prof Ian Luke, for the BoG development session on Marjon's global work which he had led earlier in the summer, a recording of which was available via the governors' online portal. GR invited IL to present a summary of the Strategy.
- 3.2 IL noted that the Strategy was the culmination of three years' work on a number of partnerships and represented a shift to global engagement. IL confirmed that Marjon had been approved for the government's Turing Scheme (which had been launched following the UK's withdrawal from the Erasmus scheme). The Strategy acknowledged and supported the different needs of students. BoG particularly commended IL for securing £100k funding to support disadvantaged students to access international opportunities and discussed the importance of this.
- 3.3 IL and University Secretary & Registrar, Stephen Plant, noted the robust foundations and quality assurance upon which the partnerships were based and provided details of these.
- 3.4 BoG **APPROVED** the Marjon Global international strategy, noting that KPIs would also be incorporated.
- 3.5 IL was thanked for his report.

4. Report from Marjon Student Union (MSU) President

- 4.1 The report was received. GR invited Lauren Edwards, Student Governor/MSU President to summarise.
- 4.2 LE reflected on her year in office and was congratulated on her re-election. The MSU General Manager's election report and election results were included in Part B.
- 4.3 LE and BoG paid tribute to Joe Lynch, whose term as Deputy MSU President had just concluded.

Approved Minutes

- 4.4 BoG noted the tremendous NSS results, placing MSU third nationally out of 119 Universities in response to the statement 'The students' union effectively represents students' academic interests'.
- 4.5 LE introduced Deputy MSU President Will Mintram, who provided background about himself including his role as RSA (resident student assistant) to support student wellbeing on campus.
- 4.6 LE shared news of Marjon's Varsity success and the amount raised by Marjon's charity fundraising linked with this.
- 4.7 LE noted the importance of the social and wellbeing support which MSU provided to students, and the work being done to prepare for September, mindful that incoming 1st year undergraduates would have experienced lockdown from the age of 17 and many would have faced a challenging period socially, mentally and emotionally.
- 4.8 RW, GR and BoG joined together in thanking LE for her great contribution over the past year and for her willingness to stand again for a second year, to build on the strong foundations laid this year.

5. Update on Marjon Student Union

- **MSU Trustees' Report and Financial Statements**

- 5.1 The report was received. GR invited LE, in her capacity of Chair of Trustees, to summarise. LE reminded BoG that the report and statements were received by BoG annually, given that the University was MSU's main funder. BoG was satisfied with the position presented in the report and financial statements and thanked LE for her summary.
- **MSU Constitution**
- 5.2 The report was received. GR invited SP to summarise. SP noted that the revised Constitution had been approved by MSU Trustees at their Annual General Meeting (AGM) and submitted to Senior Management Team (SMT) and Audit Committee for recommendation and approval in substance. In future, revisions of the Constitution would be presented to SMT in the first instance.
- 5.3 It was noted that LE was in the process of reviewing a key requirement of the Constitution regarding the role and job description of the General Manager.
- 5.4 The MSU Constitution was **APPROVED**. LE was commended for her work as Chair of Trustees.

6. Update from Committees

- 6.1 GR invited Emma van der Lugt, Chair of Audit Committee, to present an oral update. EvdL confirmed that the Committee had met in June 2021. Discussions had focused upon internal audit reports, risk register and risk management strategy. The Committee had considered BoG's approach to risk and its risk appetite and recommended this be discussed and refreshed. The plans for external audit at year-end had been discussed and the approach to internal audit, so as to strike a balance between regulatory compliance and strategic drivers. GR thanked EvdL for her overview.
- 6.2 GR, Chair of Governance & Nominations Committee, provided an update from the meeting in June 2021. He noted in particular a detailed discussion around EDI. Furthermore, the Governance Secretariat had contributed to research being conducted by the University of

Approved Minutes

Gloucester in a Board Diversity Practice Project initiated via AdvanceHE to further diversity in governance.

- 6.3 GR asked all BoG members to let Governance Officer, Jessamie Thomas, know of any contacts who could be approached as potential co-optees, to address key areas where the skills audit indicated gaps: digital marketing, finance, construction, media and PR. A number of experienced governors' terms of office would conclude in 2023-24 and forward planning would be essential. **ACTION: ALL**

- 6.4 The Governance & Nominations Committee report, by JT on behalf of the Chair, was received.

At GR's invitation, EvdL and Alex Hawtin withdrew from the meeting.

Following discussion, the following were **APPROVED**:

- the alignment of EvdL's term of office as a Directly Appointed Governor with her second term as Deputy Chair, so that her term expire on 13.11.2024.
- the renewal of Alex Hawtin's term of office as National Society Nominated Governor, for a second term, to 09.12.2024.
- the Meetings Schedule 2021-22, noting that the November date for the Civic Dinner would be confirmed. **ACTION: JT**

EvdL and AH returned to the meeting and were both warmly thanked for their commitment and support.

7. Management Accounts Year-End Update

- 7.1 The report, including five appendices – revenue; Covid; Capital (in year); Capital (project value); treasury management; risk - was received. GR invited Chief Operating Officer & Director of Finance, Simon Arthurs, to summarise.
- 7.2 SA reminded BoG that financial monitoring was brought to every BoG meeting for information. A break-even budget had been set for 2020/21, once the revenue surplus required to cover the annual debt finance had been taken into account. Provision had been made for the impact of Covid scenarios, however, prolonged restrictions had impacted the budget further. Mitigation via tighter spending controls had been implemented.
- 7.3 It was noted and accepted that the late summer works programme presented a risk to the final cash position for 2020/21.
- 7.4 SA confirmed ongoing conversations with the External Auditor to establish the optimal treatment of the Salix grant of £1.8m, a presentational issue in the annual accounts.
- 7.5 BoG acknowledged the current forecast year-end position, which was likely to be a smaller surplus on the revenue budget than had been budgeted. BoG noted there would be a call on cash reserves to fund the capital repayment principal. BoG noted the outturn, was satisfied with the position and commended SA for his work.

8. Draft Budgets (Capital & Revenue) including approval of fees 2022-23 and MSU interim budget

- **2021/22 interim budget**

- 8.1 The report, including three appendices – revenue estimate 2021/22; capital proposals; tuition fees 2022/23 - was received. GR invited SA to summarise.

Approved Minutes

- 8.2 SA noted the intention that this be a final Covid recovery budget, with business planning and the budgeting cycle continuing to present challenges. Notwithstanding this position, the intention was that additional cash would be added to the cash position on the balance sheet, as presented in Fig.2.
- 8.3 BoG noted the principles underpinning the approach.
- 8.4 SA presented the revenue turnover position, which had been reviewed at three key levels: student numbers with associated fee levels; accommodation, food & beverage, sports centre; all other income. BoG was satisfied with the prudent approach described by SA, particularly around student recruitment and ongoing uncertainty around the potential impact of the Augar review.
- 8.5 SA provided information regarding Marjon's partnerships, income and exposure, and the work being done to ensure that students continued to experience a high quality of education.
- 8.6 SA confirmed that 'other income' (Fig.6.) had been subject to a prudent review. It was noted that the appointment of Director of Sport and Physical Activity should support the realisation of the income potential of the Sports Centre.
- 8.7 With regard to revenue expenditure, SA confirmed that the underlying base budget had been reviewed, with key assumptions and changes worked in. SA explained the rationale for the inclusion of additional staffing costs, including budgeting for a national pay award and increments and key appointments.
- 8.8 In response to a comment that the pay budget appeared tight and it would be important for SMT and F&R Committee to be sure that this did not inhibit staff ambition, RW confirmed that strategic transformational changes were being implemented and key personnel recruited.
- 8.9 SA noted that the proposed budget was likely to be set at a revenue surplus sufficient to make a contribution to the debt finance, but not cover it in full. The loss of Sports Centre income would to some extent be mitigated by Salix savings, which would be monitored monthly. The budget brought to BoG in November 2021 would include treatment of the Salix Ground Source Heat Pump (GSHP) funding.
- 8.10 SA reviewed debt finance, illustrating the debt principle regarding the two outstanding loans.
- 8.11 SA provided an overview of the capital position, noting the impact that Covid had had on capital spend and investment. Backlog maintenance and the capital planning cycle were being addressed, which meant budgeting for a mixture of lifecycle planning, equipment, small projects and strategic investment.
- 8.12 It was confirmed that RIBA 1&2 professional fees for New Halls Project, to be discussed at item 10, had been incorporated into the affordability model.
- 8.13 It was intended that the position would add back cash after allowing for non-cash items being deducted from proposed spending.
- 8.14 SA summarised the business planning taking place, with the University having introduced a wider business planning toolkit for 2021/22. It was noted that the loss of Sports Centre revenue and also strategic investment in health course development, estates and digital had all impacted on the resources available to departments overall.

Approved Minutes

- 8.15 SA drew BoG's attention to key strategic financial risks, noting that budget robustness was based on a prudent position on income and costs, with SMT scrutiny of the capital proposals.
- 8.16 GR invited Chair of F&R Committee, AH, to summarise the Committee's view of the budget position. AH noted that Covid challenges had necessitated a reactive period which was now shifting back to proactive. AH commended the robustness of the Financial Strategy underpinning the approach and the work of SA and team.
- 8.17 BoG **APPROVED** the 2021/22 interim budget, noting that a final budget would be brought for approval in November 2021, once student fee income was confirmed.
- **Approval of fees 2022-23**
- 8.18 Noting the position in Appendix 3, as summarised by SP, BoG **APPROVED** Student Fees for 2022/23.
- **MSU interim budget**
- 8.19 Contained within the proposed expenditure was the MSU grant, which RW recommended should be approved by BoG in full, but released in phases dependent upon delivery of the business plan outcomes.
- 8.20 RW provided context and rationale for this approach, noting that while MSU was a separate legal entity and autonomous charity, the University as its principal funder was obliged to have oversight of its financial probity. SP had taken legal advice to draw up a new agreement, which would come to BoG in the autumn. SP flagged that if the Higher Education (Freedom of Speech) Bill became law, MSU would need to be offered protection.
- 8.21 The aspiration that a funding formula be developed, to enhance MSU's ambition, was endorsed.
- 8.22 RW provided an overview of MSU's pension liability which the University would be exposed to. RW would consider how to address this.
- 8.23 RW noted that, in the same way that the University's Professional Services departments reviewed their staffing profile via business planning, the same would be expected of MSU, with the line manager responsible for exploring succession planning. A conversation around levels of back office staffing would be important, so as to direct funding appropriately and strengthen the future of MSU.
- 8.24 RW was thanked for providing background context to the operations of MSU. BoG noted the MSU budget position, at Fig.8 of the report. BoG **APPROVED** the grant of £0.137m, on condition that MSU submit its business plan with proposed outcomes; the grant would then be released in phases upon delivery of the business plan outcomes.

9. Banking Arrangements

- 9.1 The report was received. GR invited SA to present an overview.
- **Banking covenant**
- 9.2 SA provided background information to the banking covenant, which underpinned the loan with Barclays Bank for the Sports Centre. SA proposed transferring to a new, FRS102 compliant bank covenant prior to the end of the financial year.
- 9.3 SA guided BoG through his report, which provided information on bank covenants, conditions, calculations and significant contextual points. The key rationale for the proposed

Approved Minutes

change was to align the covenant with FRS102 accounting requirements, to mirror the banking sector's focus on quality of operational cashflow to service debt.

9.4 At GR's request, SA guided BoG through documentation received from Barclays Bank PLC, which he fully explained so that BoG could confirm its understanding of, and acceptance of, the new covenant's conditions. The Amendment Letter, addressed to Board members of the University (the 'Borrower'), from Barclays Bank PLC was carefully reviewed.

9.5 At GR's request, SA guided BoG through Appendix 2, the considerations and proposed wording which would serve to confirm approval of BoG entering into the Amendment Letter. BoG carefully considered the proposed wording, noting the four key areas: background; purpose of meeting; consideration of the amendment letter; authority to execute the amendment letter. BoG **AGREED** that the Amendment Letter should be signed by Simon Arthurs, Chief Operating Officer & Director of Finance, to confirm BoG's acceptance and agreement. BoG carefully considered the wording necessary to convey this. BoG **AGREED** that the minutes of the extract of this element of the meeting were a true and accurate representation of the business of this meeting and would be included as a confidential appendix, Appendix A, formally authorised by the Chair of the Board.

- **Sports Centre Bank Loan**

9.6 SA provided background information to the University's annuity loan, which had been set up based on the LIBOR (London Inter-Bank Offered Rate) reference rate for calculating interest. LIBOR was no longer deemed sustainable as a product and was being phased out. The proposal to switch from LIBOR to the risk-free rate of SONIA (Sterling Overnight Index Average), a more robust alternative to LIBOR, had been discussed and approved by F&R Committee and now came to BoG for information. In response to a question, SA confirmed there would be no detrimental impact. BoG was satisfied with the switch from LIBOR to SONIA noting that RW and SA would sign the paperwork to ensure its completion by 31 December 2021. **ACTION: RW/SA**

10. **Campus Development Plan: New Halls Project**

10.1 The report was received. GR invited RW to present an overview.

10.2 RW reminded colleagues that the New Halls project was a core element of the Campus Development Plan (CDP) approved by BoG in July 2020. At its previous meeting, on 25 March 2021 (M3), BoG had approved proceeding to Royal Institute of British Architects (RIBA) Stages 1&2, subject to affordability. Having discussed the budget earlier in this meeting at item 8, including specific confirmation of the inclusion of RIBA 1&2 in the budget proposals, BoG was satisfied as to affordability and **APPROVED** the initiation of RIBA Stages 1&2. BoG noted that completion of these stages would be important in securing external funding for the build stage. **ACTION: JB**

Student Governor, Staff Governors and attendees were thanked for their attendance and contributions and asked to withdraw from the meeting for Reserved Business.

11. **Reserved Business – See RB minutes.**

Approved Minutes

Close

GR invited colleagues to consider whether any of the meeting's discussions impacted on the current risk register; none were identified.

In closing the main part of the meeting, GR thanked BoG for their support and challenge.

Part B

The following reports were received and approved:

12. Minutes of Previous BoG Meeting (25 March 2021 M3) were received as an accurate record and **APPROVED** with no amendments.
13. Prevent Policy – at GR's request, SP summarised the policy, noting that it was materially the same as the previous year. It came to BoG for annual approval to demonstrate SMT commitment to Prevent Duty. SP noted that previous aspirations were now being implemented. RW confirmed the importance of vigilance and noted he would continue to work closely with MSU. **APPROVED**
14. Modern Slavery & Human Trafficking Annual Statement – SA flagged key points during his finance presentation in the main part of the meeting: annual declaration; aligned with section 54 of the Modern Slavery Act 2015; of relevance to links to heritage and cultural values; connected with procurement; need for awareness and training. **APPROVED**
15. Counter-Fraud and Anti-Corruption Policy – SA flagged key points during his finance presentation in the main part of the meeting: this had been subject to Audit Committee review twice; there were various legislative drivers; protecting student fees; standard in public life (Nolan principles); it was based on due process and values. **APPROVED**
16. Financial Regulations 2021-22 – SA had flagged key points during his finance presentation in the main part of the meeting: Financial Regulations were brought to BoG annually, having been scrutinised by F&R and Audit Committees. This version was a more concise, strategic document containing detailed working practices and included updated approval limits. **APPROVED**
17. Risk Management Policy (approval) & Risk Register - SA flagged key points during his finance presentation in the main part of the meeting: the policy was brought to BoG annually, having been scrutinised by Audit Committee. Wording had been updated to be more values-based, with some updates to the reporting mechanism. SA noted that risk was about opportunity as well as challenges and it would be important for BoG to consider its risk appetite; this approach was fully endorsed by BoG. A review of operational risk registers had been undertaken. **APPROVED**
18. Equality Report 2021 – GR invited Dep Vice-Chancellor, Prof Michelle Jones, to present an overview: MJ commended Lynn Tout for her work on the report. MJ noted good progress despite the challenges of the last 18 months. Objectives had been set in line with the strategic plan, to 2025. **APPROVED**

The following reports were received for information with no queries:

19. Student Recruitment Update
20. Access & Participation Plan Update
21. Gender Pay Gap Report

Approved Minutes

- 22. Matters Arising from Previous Meeting
- 23. Register of Interests
- 24. Marjon Student Union Election Report 2021
- 25. Minutes of committees/sub-committees:
 - (a) Audit Committee 05.03.2021;
 - (b) Audit Committee 18.06.2021 (unapproved);
 - (c) Estates Project Group 25.05.2021 (unapproved);
 - (d) Finance & Resources Committee 14.04.2021;
 - (e) Finance & Resources Committee 09.06.2021 (unapproved);
 - (f) Governance & Nominations Committee 12.03.2021;
 - (g) P&OD Sub-Committee 16.06.2021 (unapproved);
 - (h) Senate 24.02.2021