
BOARD OF GOVERNORS

Finance & Resources Committee

Wednesday 10 April 2019, 10.00-13.00,

Boardroom

APPROVED MINUTES

Present

Mr Richard Bayly (Chair)	Governor	RB
Ms Claire Gibson	Governor	CG
Mr Graham Raikes MBE	Governor, Chair of the Board	GR
Prof Rob Warner	Vice-Chancellor	RW

In attendance

Mr Simon Arthurs	Finance Director	SA
Mr Mike Baker	Academic Staff Governor	MB
Mrs Unity Stuart	Clerk to the Board	US

For items 6-9

Mr John Bailey	Director of Estates & IT Infrastructure	JB
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For item 9

Mrs Claire Stevens	Head of Library	CS
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1. Apologies & Conflict of Interests

- 1.1 Apologies were received from Prof Patricia Hind, Rhys Roberts and Pamela Greener.
- 1.2 The Committee agreed that Graham Raikes would now be a full member of the committee, rather than an attendee, having been standard practice for the Chair of the Board to join the Finance committee and following GR's resignation from Audit committee.

2. Minutes of the previous meeting

- 2.1 At point 14.6 a typo was noted and would be amended.
- 2.2 The minutes were otherwise approved.

3. Matters Arising

3.1 Matters arising were discussed and considered complete.

4. Management Accounts & Budget

4.1 SA gave a short presentation on reflections from his first three weeks in post.

4.2 He had recently attended a meeting of BUFDG (British Universities Finance Directors Group) and provided some context surrounding the sector and the economy. SA noted that where the sector was likely to experience financial challenge, Marjon remained in a positive position in many ways.

4.3 SA also noted that Governors and Directors were becomingly increasingly aware of and responsible for the financial position of their HEI, with a shift in policy regarding 'bailing out' FE and HE institutions.

4.4 SA noted that the financial monitoring and 3 year forecasts would be considered together rather than separately and a surplus will be achieved at month nine as agreed.

4.5 Capital financing would be the next step for SMT to consider this and this would then be reported back to the Committee in due course.

4.6 The covenant position was briefly noted. SA had met with the bank and a few other FDs, and will begin the negotiation with the bank, alongside the wider budget planning activities.

4.7 Student recruitment figures were also discussed in light of the OfS report on this in the sector and SMT will be examining this with SA to ensure predicted numbers remain realistic.

4.8 SA further noted that SMT will be reviewing how costs are adjusted alongside income fluctuations.

4.9 SA also noted some opportunities and efficiencies already identified and some technical solutions in the pipeline.

4.10 SA noted that the University was in a strong position and due to its small size could move quickly with noticeable improvements. Realism, robustness and scenario planning would be key as well as streamlining cost bases. SA noted the importance of understanding how to exploit Marjon's USP and being realistic yet ambitious with

student recruitment figures. Streamlining the Growth Plan with the business plan would also be crucial.

4.11 SA further noted that completion and rapid publication of the end of year accounts would be important, including infographics.

4.12 RW provided a brief update on student recruitment figures which remained similar to the previous year. Planned recruitment for the following few years remained stable and in line with the demographic position.

4.13 The recent press coverage surrounding redundancies at the University of Plymouth was mentioned and it was suggested that this reflected the challenges across the sector.

4.14 ACTION SA suggested that a headline position surrounding financial risks, a final budget position and the three-year forecast would be submitted for the June meeting of F&R and July Board.

4.15 SA suggested a workshop or some further engagement with the committee might be helpful in order to finalise the three-year forecast and RB suggested that committee members might be invited to join SMT for a discussion of this kind, should SA think this is required. This should then allow the Board to receive assurance from the committee and understanding without having to delve into the detail.

4.16 RB suggested a note from the Chair of the Committee might be helpful to ensure the Board are kept informed. Similarly, the scenario planning SA suggested might be a valuable topic for the November Strategic Board sessions.

4.17 RW noted that there were two sub-committees of the Board (Audit and F&R) which review the financial position, prior to recommendation to the Board.

ACTION RB, GR, RW, EvdL to discuss review of finance by Audit and F&R prior to Board.

4.18 RB thanked SA for a helpful report.

4.19 MB provided his perspective as an Academic on the current atmosphere at the University at the request of RW and noted that it felt generally much more positive for both staff and students.

5. Fees and Funding

5.1 The Augar review was discussed and SA noted the importance of being flexible with the cost base, should the income be reduced significantly, to ensure that this can be

managed and that the University remained in a stable position.

5.2 Further modelling work surrounding this would be undertaken by SA and his team.

5.3 RW noted that the Augar review was likely to be reported directly to Number 10 once completed, and noted the current political environment may delay the outcomes of this.

6. Report from Estates Task Group / Estates Director

6.1 JB joined the meeting. The proposed dates for the Estates Task Group meetings were noted.

7. To consider the cost breakdown for maintenance and EMR

7.1 JB noted that the Estates Management Return is the annual return of 456 data categories to HESA which then produces an annual report from this data.

7.2 AUDE also provide an annual report which includes valuable insights and analysis.

7.3 JB noted there had not been any significant changes in the data from the previous year including to the condition of the buildings, except for significantly lower energy costs.

7.4 JB noted some planned savings to the Estates budget in year, which included staff and maintenance, but not capital budgets.

7.5 Improved ownership and understanding of the budget within the team was noted.

7.6 JB and SA noted plans to review some contracts, re-tender, and consolidate with several cost savings and efficiencies being identified. Utilisation of the existing space as well as commercialisation and community access to spaces would also be considered.

7.7 Tying the Finance Strategy and Estates Strategy together would be key. The success of the Business School, including reaching full capacity of the incubation space was noted not only to generate income but to further embed Marjon as a contributor within the city.

7.8 ACTION it was suggested that community and business engagement, space utilisation and commercialisation would be considered at the October meeting.

7.9 GR also noted plans for a meeting with the Business School team on 5th June.

7.10 RW provided an update on the Studio School, having recently spoken with the

Regional School's Commissioner. A school for pupils with additional needs had been ruled out, as had the potential for an Academy for 14-19 or 12-19-year olds. The space would now be considered for post-16 education, dependent on anticipated expressions of interest from across Plymouth. RW noted some conversations with potential partners have taken place already.

7.11 The committee noted that the creation of a new or extended sixth form would free up places across Plymouth which are needed.

7.12 Existing links in the city, connecting with City Council initiatives, development of STEM initiatives and tying up the curriculum offering with the degree programmes in place would all need consideration and would be explored.

8. Review of cyber security risk and arrangements

8.1 JB gave an overview of the IT security at the University and reported that the servers were protected and backed up, email facilities had various protections, powerful firewalls were in place and the JANET network was used as standard.

8.2 JB noted that the restrictions on users were however greater than perhaps at other institutions and while helpful for security, this can give a frustrating user experience.

8.3 JB further noted that off-site back-up was currently lacking but the new BBC campus would include a back-up server and back up energy connection.

8.4 It was suggested that some policies would need to be updated to adhere to ICO requirements, and an update of IT for staff users would be needed.

8.5 JB further provided an update on IT arrangements, including the e-learning team process regarding capital budgets for equipment and hardware.

8.6 JB noted that IT staffing, software and licencing costs were quite high and would need to be reviewed. JB provided some statistics, for example there are 65 separate teaching and learning spaces with full IT facilities and clever screens and 300 staff computers. He also reported that all IT jobs would now be logged on the help desk in order to properly manage and monitor this accurately.

8.7 It was noted that the Guest Wi-Fi login has recently been improved.

8.8 The forecasted budget was queried and how this fits with a wider estates & IT strategy. JB noted that some allocated spend would require further scrutiny dependent on the wider strategy.

8.9 The committee briefly discussed how students engage with IT and JB noted that most students bring their own laptops and are less likely to use the equipment on site or hire a laptop from the IT team. With this in mind, the space and facilities might be reviewed to better serve the students.

9. Report on current Library provision

9.1 CS joined the meeting.

9.2 RB noted that library is of course an equally important resource and as such the Finance & Resources committee members were grateful to have the opportunity to discuss this.

9.3 RW noted that CS was an outstanding manager within the University and had been with the University nearly 15 years. CS noted some challenges over those years but that she had a reliable team who continued to achieve strong NSS scores for the library.

9.4 CS noted a decreased purchasing ratio and increased budget for the coming year and that demand driven acquisition was planned to ensure accessibility and that student requests are met. Similarly, stock was now regularly reviewed to meet student's needs.

9.5 CS also noted that she will discuss with the Estates team, plans to restructure the library to make better use of the space for students.

9.6 Some other changes were discussed related to the policy on fines, in keeping with the university values and in support of student experience.

9.7 The Studiosity facility was discussed. CS noted that this has been popular with staff and students and demand has exceeded expectations. The costs and benefits will continue to be monitored.

9.8 Online access to journal articles was discussed and e-access to books as well as where books were purchased.

9.9 RW noted the question surrounding learning resources within the NSS and that there might be an assumption that larger universities have an advantage with this. However, CS's team exceeded the sector, therefore showing their responsiveness to student requirements.

9.10 CS finally noted that the data submitted to SCONUL annually provides comparison against all other HE libraries and can be sorted by type, therefore

highlighting which areas are strong or weak and why.

RESERVED BUSINESS

10. To receive a report on Fraudulent, Regulatory, Whistleblowing, Health and Safety and Legal incidents

10.1 Noted.

Action Log

Minute	Action	Owner	Deadline
4.14	SA suggested that a headline position surrounding financial risks, a final budget position and the three- year forecast would be submitted for the June meeting of F&R and July Board.	SA	June F&R July Board
4.17	RB, GR, RW, EvdL to discuss review of finance by Audit and F&R prior to Board.	US - RB, GR, RW, EvdL	June F&R July Board
7.8	It was suggested that community and business engagement, space utilisation and commercialisation would be considered at the October meeting.	JB	October F&R