

Approved Minutes

Present

Graham Raikes MBE (Chair)	Independent Governor	GR
Emma van der Lugt (Deputy Chair)	Independent Governor	EvdL
John Searson (Deputy Chair)	Independent Governor	JS
Prof Rob Warner	Vice-Chancellor	RW
Stephen Criddle	Independent Governor	SC
Kate Doodson	Independent Governor	KD
Matt Evans	Independent Governor	ME
Vicky Hatton	Independent Governor	VH
Alex Hawtin	Independent Governor	AH
Prof Patricia Hind	Independent Governor	PH
Will Mintram	Student Governor (Marjon Student Union President)	WM
Ruth Mounstephen	Independent Governor	RM
Jackie Westerman	Independent Governor	JW

In attendance

Rt Rev'd Dr Tim Dakin	Co-opted Board Member	TD
Rt Rev'd Nick McKinnel	Chancellor	NM
Rev'd Michelle Parkman	University Chaplain	MP
Rebekah Fletcher	Marjon Student Union Deputy President	RF
Jessamie Thomas	Governance Officer (note taker)	JT

In attendance (SMT members)

Prof Michelle Jones (item 8)	Deputy Vice-Chancellor, Research & Knowledge Exchange	MJ
Simon Arthurs (items 6 - 8)	Chief Operating Officer & Finance Director	SA
Stephen Plant	University Secretary & Registrar	SP

1. Welcome, Apologies & Declarations of Conflicts of Interests

- 1.1 The Chair, Graham Raikes MBE, welcomed colleagues.
- 1.2 At GR's invitation, University Chaplain, Rev'd Michelle Parkman, opened the meeting with a prayer.
- 1.3 Apologies were received from Staff Governors Dr Greg Borne, Fiona Nicholls, Esther Tonna-Morgan and from Co-opted Board Member Katherine George.
- 1.4 Written declarations of interest were contained in Part C, within the Register of Interests. The standing declaration of Matt Evans, whose employer hired office space on campus, was noted. GR invited attendees to provide any updates; no new declarations were made.
- 1.5 GR wished to put on record the Board of Governors' (BoG) thanks to Rev'd Preb Prof Gina Radford, whose term of office had expired on 1 November 2022. Rev'd Preb Prof Gina Radford's contribution to the BoG's strategic discussions, particularly around the

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development of healthcare education, were highlighted, as was her contribution to the work of the Audit Committee.

- 1.6 GR asked if colleagues wished to ‘unstar’ any items in Part B. None were identified. GR invited a brief discussion of items in Part B. The Annual Chaplaincy Report was discussed and Rev’d Michelle Parkman and Rev’d Claire McIlroy were commended on their work. Items 10 to 16 were **APPROVED**. Items 17 to item 28 were noted, together with supporting papers in Part C.

2. Update from the Chair

- 2.1 • Vice-Chancellor Appointment Process
- 2.2 GR provided an update on the process to recruit the successor of Vice-Chancellor, Prof Rob Warner, and the work undertaken by the appointed recruitment agency. A full briefing would be provided in Reserved Business to BoG the following day. Regular internal planning meetings had been held and final interviews were due to take place in December.

3. Report from Vice-Chancellor

- 3.1 GR invited Vice-Chancellor, Prof Rob Warner, to present an update, noting that a contextual sector briefing would be delivered to the BoG the following day, at the Board Briefing Session.
- 3.2 RW highlighted the following areas and responded to questions from the BoG:
- 3.3 Current strike action – RW provided an overview of the demands and expectations of striking staff/unions against a backdrop of income for universities having been frozen since 2012. BoG requested information on the numbers of staff taking part in this action **ACTION: LP**.
- 3.4 Nursing and Midwifery Programme accreditation and the timely return to Marjon of the Peninsula Allied Health Centre (PAHC) building due upon completion of the lease to the University of Plymouth.
- 3.5 Research Degree Awarding Powers (RDAP) and the journey to bid submission, due in 2023.
- 3.6 Launch of doctoral college, so as to continue to transition to full university delivery.
- 3.7 RW was thanked for his update.

A 10 minute break was taken at this point.

4. Institutional KPIs Annual Report

- 4.1 The report was received. GR invited University Secretary & Registrar, Stephen Plant, to provide a summary.
- 4.2 Key points were highlighted to the BoG’s satisfaction, noting the retrospective nature of the report. These included developments in research, robust external findings around governance, National Student Survey (NSS) levels maintained, developments in research. SP was commended on the report.

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- 5. Report from Marjon Student Union (MSU) President; Summary of MSU Accounts 2021/22**
- 5.1 The report from Student Governor and Marjon Student Union (MSU) President, Will Mintram, was received. GR invited WM to present an overview.
- 5.2 WM highlighted the cost of living challenges facing students and ways in which the MSU, Chaplaincy and University were seeking to address these. Plymouth City Council had announced a cost of living crisis. Challenges around the quality of accommodation in the city were noted. The University's focus on providing affordable quality food on campus rather than prioritising profits was noted. Marjon Stores would open on campus the following month.
- 5.3 Rebekah Fletcher, Deputy President, updated BoG on Marjon's student societies, noting the ongoing popularity of a number of existing societies and the establishment of new ones this year. RF was thanked for her work in this area and for the update.
- 5.4 The summary of MSU accounts 2021/22 was received and noted.
- 5.5 WM and RF were thanked for their report.
- 6. Audit and Finance**
- **Audit Committee Annual Report 2021/22; Internal Auditors' Annual Summary 2021/22**
- 6.1 The report was received. GR invited Chair of Audit Committee, Emma van der Lugt, to present the report, which was a key component of the approval of the financial statements, providing a comprehensive overview of the work of the Committee and internal/external auditors. It contained the Internal Audit Summary Report 2021/22 from Internal Auditors PricewaterhouseCoopers (PwC).
- 6.2 EvdL provided an overview of the report's purpose and Committee's remit. EvdL commended the rigour and dynamic approach of the Committee and invited colleagues to identify potential new members. EvdL highlighted PwC's key findings and their satisfaction with the University's controls and follow-up. No fraudulent incidents had been reported and the Internal Auditors were satisfied that actions were being addressed.
- 6.3 EvdL confirmed that the External Auditors' management report had been positive and unqualified and Audit Committee was satisfied with the audit controls. All queries had been resolved or were being followed through to the Committee's and External Auditors' satisfaction and consequently a clean opinion on the workings of the University had gone forward into the financial accounts.
- 6.4 The Annual Report of Audit Committee was **APPROVED**. EvdL was thanked for her summary.
- **Audited Financial Accounts.**
- 6.5 The report was received, comprising:
- Cover: Transition from Management Accounts to Financial Statements
 - Appendix A: External Auditors' Report with Management Response
 - Appendix B: Financial Statements
- Appendix C: Letter of Representation
- 6.6 GR confirmed that the financial statements had been discussed in detail by Audit Committee and Finance & Resources Committee. GR invited Chief Operating Officer & Finance Director,

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Simon Arthurs, to provide an overview. SA provided detailed explanation and analysis, with the 'Transition from Management Accounts to Financial Statements' providing a summary of the position.

- 6.7 SA recapped the information which had been discussed with the BoG and Committees at regular intervals: an investment budget had been approved for 2021/22. Through spending controls and strong financial management, the management accounting position was an operating deficit of £1.246m (compared with the deficit budget of £1.176m) at the financial year-end.
- 6.8 It was noted that the balance sheet provided a snapshot of assets and liabilities at 31 July 2022 and showed a net asset position of £37.749m (2021 £19.950m), the large swing being a result of the change in the LGPS pension.
- 6.9 SA provided an overview of the pension liability. SA reminded BoG that this was a notional figure of a future value of the pension fund as at today's rate, and was a non-cash adjustment. The position showed a large gain, resulting in a significant reduction in liability compared with the previous year.
- 6.10 SA concluded by presenting an overview of the University's operational performance, showing the impact of the FRS102 adjustments in order to transition from the management accounting deficit of £1.246m to financial accounting surplus of £17.799m (reflecting the change in value of the LGPS pension).
- 6.11 SA provided an explanation around depreciation, a non-cash item. If cash adjustments were backed out (staff leave accrual, LGPS Pension Cost and depreciation) a cash surplus of £4.030m had been generated. RW and SA noted the importance of this, for the University's resilience, liquidity, sustainability and investment.
- 6.12 SA reminded BoG that, as well as surplus or deficit for the year, operational performance was benchmarked via the key performance indicator (KPI) of EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation). The EBITDA position for 2021/22 was £1.786m (£3.404m in 2020/21).
- 6.13 SA noted the External Audit Opinion, as detailed at Appendix B, the External Auditors' Report with Management Response. No material errors had been identified from the audit work, therefore there was no reason to re-state or qualify the accounts.
- 6.14 SA reminded colleagues that the External Auditors had a legal responsibility in filing accounts to confirm that the University was a going concern. The test had been conducted and the External Auditors had confirmed to the Audit Committee that the University's approach had been co-operative and thorough and confirmed the position as a going concern.
- 6.15 GR thanked SA for the briefing. GR invited colleagues to consider whether the adjustments that the External Auditors indicated (Appendix A) could be considered immaterial. BoG **AGREED**. GR invited colleagues to consider whether they were satisfied with the External Auditors' report and management responses. BoG **AGREED**.
- 6.16 GR invited colleagues to consider whether they approved the Financial Statements (Appendix B) for submission to Companies House by SP, to be signed by RW and GR. BoG **AGREED**.

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- 6.17 GR invited colleagues to consider whether they agreed that he should sign the Letter of Representation (Appendix C) on their behalf. BoG **AGREED**.
- 6.18 SA thanked Audit Committee and F&R Committee for their diligent work leading to this point of approval. SA and his team were commended for work on the year-end accounting. SA was thanked for his presentation.

- **2022/23 Budget and Medium Term Financial Planning (including Student Recruitment Trends Update)**

- 6.19 The report was received. GR invited SA to present an overview.
- 6.20 SA went through the budget assumptions in detail, including any variances compared with the initial budget which had been set in July. SA confirmed that the bank covenant had been tested. The Capital Budget was presented and discussed. SA invited questions, which were answered to the BoG's satisfaction.
- 6.21 RW highlighted the prudence of the approach of BoG approving an interim budget in July, given that student numbers were not confirmed until November, at which point the budget could be agreed with greater certainty around assumptions. Chair of Finance & Resources Committee, Alex Hawtin, confirmed that this approach worked well. He commended SA on the balanced scorecard summary contained within his report.
- 6.22 It was noted that, with regard to the national pay award, the Universities and Colleges Employers Association (UCEA) carried out the national pay bargaining on the University's behalf. The likely outcome and affordability of a negotiated deal were discussed, together with incremental uplifts.
- 6.23 SA provided information on discussions which had taken place with MSU regarding budget-setting. MSU funding for 2022/23 of £135, 621, was **APPROVED**.
- 6.24 The Final Revenue Budget and Capital Plan envelope for 2022/23 were **APPROVED**.

- **Office for Students (OfS) Annual Financial Return (AFR)**

- 6.25 The report was received. The AFR workings were contained in Part C of the meeting papers. GR invited SA to present a summary.
- 6.27 SA explained the purpose of the AFR, the process required to complete it and the approval mechanism.
- 6.28 SA provided a detailed summary of the assumptions which underpinned the University's AFR submission and answered questions. BoG was satisfied with the robustness and transparency of the AFR and **APPROVED** the financial position for the creation of the AFR and its submission to the OfS.

- **OfS Transparent Approach to Costing Return (TRAC)**

- 6.29 SA explained the purpose of the TRAC return, the process required to complete it and the approval mechanism. BoG was satisfied with the approach and **AGREED** that it would be signed off by the Vice-Chancellor. BoG requested sight of the high level TRAC return in due course. **ACTION: SA**
- 6.30 The Chair and Deputy Chair of Finance & Resources Committee, Alex Hawtin and Kate Doodson, confirmed that the Committee continued to carefully monitor and challenge

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financial controls and were satisfied with the approach being taken. SA was thanked for his report and presentation.

7. Update from Committees

7.1 • Report from Committee Chairs

7.2 At the Chair's invitation, Committee Chairs provided a summary of the key areas of focus of each Committee. The work of Audit Committee, Finance & Resources Committee and Remuneration Committee had been reviewed during this meeting, through discussion or reports. Committee minutes were contained in Part C for information.

7.3 • Board Membership - Report from Governance & Nominations Committee

7.2 The report was received.

7.3 The renewal of Ruth Mounstephen's term of office as Church Nominated Governor, for a second term, from 06.03.2023 was **APPROVED**.

7.4 The appointment of Rt Rev'd James Grier, Bishop of Plymouth, as Co-opted Member of the Board from 01.01.2023 was **APPROVED**

7.5 The appointment of Will Jordan as Co-opted Member of the Board and Co-opted Member of Audit Committee from 01.01.2023 was **APPROVED**

7.6 The appointment of Guy Bolt as Co-opted Member of the Board from 01.01.2023 was **APPROVED**

7.7 The appointment of Prof John Scott CBE as Co-opted Member of the Board from 01.01.2023 was **APPROVED**

8. Estates Update

8.1 GR invited Deputy Vice-Chancellor Research & Knowledge Exchange, Prof Michelle Jones, and SA to provide an Estates Update.

8.2 MJ provided an update on the condition of the estate. This included the presence of Reinforced Autoclaved Aerated Concrete (RAAC) and MJ explained how this was being attended to. MJ confirmed that a risk-based approach informed by professional advice was being taken.

8.3 MJ provided an update on the development of the integrated health and wellbeing provision, the funding of which had been discussed by the Chair of the Board and Committee Chairs.

8.4 SA confirmed that the campus valuation had been received and would satisfy the Bank's loan security requirements with regard to the purchase of the Plymouth Studio School, which was due to complete at the end of December 2022. The University's legal advisors had completed due diligence on the valuation, pending the Land Registry's confirmation of title deeds.

8.5 Following discussion, BoG **AGREED** to use Green Deposit Account funds to facilitate completion and secure the purchase, should this be required, pending the finalisation of the bank loan arrangements.

8.6 MJ and SA were thanked for their updates.

9. Reserved Business – See RB minutes.

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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 meeting, GR thanked BoG for their support and challenge. He looked forward to the Board Briefing Session which would be held the following day. BoG members expressed their gratitude to RW, at this is last BoG meeting, for his tremendous work during his tenure as Vice-Chancellor.

Part B

The following reports were received and approved:

10. Minutes of Previous BoG Meeting (15 July 2022 M4) were received as an accurate record and **APPROVED** with no amendments.
11. Financial Strategy was **APPROVED**
12. Treasury Policy was **APPROVED**
13. Annual Report on Research and Knowledge Exchange; Research Integrity Statement was **APPROVED**
14. Annual Whistleblowing Report; Whistleblowing Policy (approval) was **APPROVED**
15. Senior Remuneration Annual Report/Statement was **APPROVED**
16. Meeting Dates 2022-23 (information); 2023-24 (approval) was **APPROVED**

The following reports were received for information:

17. Matters Arising from Previous Meeting
18. Annual Chaplaincy Report 2021-22
19. Annual Equality & Diversity Report – it was suggested that exploring ways to support neurodiversity would become increasingly important and a report on this area and consideration of communications to students would be welcome. **ACTION: KW and IL** for BoG M4 or M1 in 2023.
20. Student Surveys 2022
21. Teaching Excellence Framework
22. Annual Assurance Report (Quality)
23. Prevent Duty Monitoring Report
24. Access and Participation Plan Update
25. Ethical Investment Strategy (review)
26. Strategic Risk Register
27. Marjon Futures Update
28. Tackling Sexual Misconduct and Harassment

Part C

The following reports were received for information with no queries:

- C6.4 • AFR Workings – cover sheet and excel file

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- C7 • Board Membership – Candidate Profiles (Confidential)
- C15 • Senior Remuneration Report - Appendices
- • Minutes of Committees/Sub-Committees:
 - (a) Audit Committee M3 29.06.2022; (b) Finance & Resources Committee M4 04.07.2022; (c) Estates Project Group M1 05.10.2022 (unapproved); (d) Governance & Nominations Committee M3 01.07.2022; M1 30.09.2022 (unapproved); (e) P&OD Sub-Committee M1 02.11.2022 (unapproved); (f) Senate 06.07.2022
- • Register of Interests