

Approved Minutes

Present

Graham Raikes MBE (Chair)	Independent Governor	GR
Emma van der Lugt (Joint Deputy Chair)	Independent Governor	EvdL
Prof Patricia Hind (Joint Deputy Chair)	Independent Governor	PH
Prof Claire Taylor	Vice-Chancellor	CT
Sarah Boyd	Student Governor (Marjon Student Union President)	SB
Louise Bridgett	Independent Governor	LB
Matt Evans	Independent Governor	ME
Rt Rev'd James Grier	Independent Governor	JG
Vicky Hatton	Independent Governor	VH
Alex Hawtin	Independent Governor	AH
Duncan Swift	Independent Governor	DS
Esther Tonna-Morgan	Professional Services Staff Governor	ETM
Jackie Westerman	Independent Governor	JW
Rev'd Tatiana Wilson	Independent Governor	TW

In attendance

Rt Rev'd Nick McKinnel	Chancellor	NM
James Beckly	Co-opted Board Member	JB
Guy Bolt	Co-opted Board Member	GB
Rt Rev'd Dr Tim Dakin	Co-opted Board Member	TD
Katherine George	Co-opted Board Member	KG
Prof John Scott CBE	Co-opted Board Member	JS
Rev'd Michelle Parkman	University Chaplain	MP

In attendance (Executive Leadership Team [ELT] members)

Prof Michelle Jones	Deputy Vice-Chancellor & Provost	MJ
Katy Willis	Pro Vice-Chancellor (Student Success)	KW
Lucy Pengelly	Executive Director, People & Culture	LP
Stephen Plant	University Secretary	SP

1. Welcome, Apologies & Declarations of Conflicts of Interests

- 1.1 The Chair, Graham Raikes MBE, welcomed colleagues to the Board of Governors' (BoG) meeting.
- 1.2 At GR's invitation, University Chaplain, Rev'd Michelle Parkman, opened the meeting with a prayer.
- 1.3 Apologies were received from Governors Kate Doodson, Fiona Nicholls and Dr Laura Wallis and from Co-opted Board Members Reena Bajaj, Prof Mark Llewellyn and Jennie Walker.

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- 1.4 Written declarations of interest were contained in Part C, within the Register of Interests. GR invited BoG members to share any updates; no new declarations were made.
- 1.5 GR asked if colleagues wished to 'unstar' any items in Part B. Item 12, Access and Participation Plan, was highlighted and would be covered as part of Item 2. Item 8 was **APPROVED**. Items 9 to 18 were noted. Papers contained in Part C were noted.
- 2. Report from Vice-Chancellor**
- 2.1 The report was received. GR invited the Vice-Chancellor, Prof Claire Taylor to present a summary.
- 2.2 The report covered the following: HE sector sustainability; public sector graduate roles; media coverage of international student recruitment practice; the challenges around the employer contribution level of the teachers' pension scheme (TPS); UUK's general election manifesto; other sector-wide developments.
- 2.3 CT highlighted the Office for Students' (OfS) B3 conditions and reminded BoG of its responsibility for academic quality, as summarised in the paper at item 14. CT noted Executive Leadership Team (ELT) discussions around academic partnership opportunities, risks and mitigation, in line with discussions across the sector.
- 2.4 CT invited Pro Vice-Chancellor, Katy Willis, to summarise the position with regard to item 12, Access and Participation Plan. KW noted the purpose of the plan, to help identify risks to equality, which would inform an intervention strategy. A significant amount of work would be required for its preparation, particularly given the size of the University. BoG was aware that any failure to meet targets would lead to scrutiny from the OfS. KW stated that the University's intent was to create an ambitious but deliverable plan; she was commended for her work.
- 2.5 CT provided analysis of the city, regional and national engagement on which she was leading and the opportunities arising from this. CT invited questions from BoG on these.
- 2.6 CT provided an update on recruiting to the Chief Digital Data and Technology Officer role and how this would move forward the University's digital ambitions.
- 2.7 With regard to a Marjon overview, BoG noted changes within ELT and also within the finance team. Financial monitoring enhancements would be discussed at item 5.
- 2.8 The 'Foundational Delivery Plan' update was noted. CT highlighted the curriculum review, development of the new strategy and workforce reorganisation. It was noted that the Marjon 2030 Foundation Delivery Plan (FDP) and Priority Actions were contained in Part C.
- 2.9 CT drew BoG members' attention to a Reserved Business standing report on student welfare and the conversations taking place across the sector following the death of a student at the University of Bristol, which highlighted issues around safeguarding.
- 2.10 CT updated BoG on the temporary closure of the University's Quad Theatre and the plans to remedy underlying issues.
- 2.11 Within the section on news and communications, CT highlighted the academic partnership with Argyle Community Trust.
- 2.12 CT was thanked for the report and update.

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Update on Marjon 2030 Strategy

- 2.6 The report was received. GR invited Deputy Vice-Chancellor, Prof Michelle Jones, to present a summary. MJ confirmed the intent to focus on institutional priorities for the current academic year from which to then launch Marjon 2030. MJ reminded BoG of the three core areas of business and four cross-cutting themes underpinning the strategy and the aim of achieving BoG approval in July.
- 2.7 CT reported on the Anglican Faith Foundation meeting which had provided a forum to discuss how the evolving strategy would align with upholding the faith and mission of the University, with some biblical perspective. Examples of activities to encourage staff and student engagement were noted.
- 2.8 MJ gave details around the development of KPIs and how a dashboard would dovetail with OfS data requirements and alignment with the strategy.
- 2.9 In response to a question around the place of the Campus Development Plan (CDP) in the new strategy, it was confirmed that some of the principles would be part of Marjon 2030, bringing together closer digital development and campus development, smart ways of working and learning and spaces that facilitate that.
- 2.10 BoG discussed how to measure the University's impact in terms of social purpose and the story of economic impact and social impact being brought to the city and region.
- 2.11 Operating sustainably and ethically was a cross-cutting theme at the heart of the University's approach and CT acknowledged the work to be done to strike a balance between securing financial stability and leading on growth. CT was commended on her forward-looking approach.
- 2.12 CT and MJ were thanked for the report and update.

Update on Organisational Change

- 2.12 The report was received. GR invited Executive Director, People & Culture, Lucy Pengelly, to present a summary.
- 2.13 LP reminded BoG that an organisational change process had been initiated in November 2023 and mainly concluded in January 2024. LP provided details of this, support offered, financial savings and further cost control measures being implemented. LP commended the professionalism of staff and engagement from unions.
- 2.14 LP responded to questions around the basis of the restructuring and the approach taken. BoG noted the disparity between anticipated and actual redundancies, and posed questions around the approach to managing fixed term contracts, how the viability of programmes had been assessed and how the workforce could be further streamlined. It was noted that although redundancies were lower than anticipated, additional staff resignations provided the opportunity to exercise vacancy control going forwards and would result in reduced staff costs for 2024/25 budgeting.
- 2.15 BoG discussed whether the workforce had capacity to manage the current operating model given the lag in moving to greater digital efficiencies. LP noted that, notwithstanding the delay in recruiting to the Chief Digital Officer role, staff were moving forward with embedding digital

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projects. However, the unions had raised the issue of workload management, which ELT was mindful of.

2.16 LP was thanked for the report and update.

3. Report from Marjon Student Union (MSU) President

3.1 The report was received. GR invited MSU President and Student Governor Sarah Boyd to present a summary.

3.2 SB's report covered manifesto progress, a May Ball update, elections (currently underway, hence the absence from this meeting of Liam Williams, Deputy MSU President). The MSU annual general meeting, cost of living campaign, societies update, development and events were also highlighted. SB commended LW for his work on MSU strategy development and promoting societies. SB provided an update on the University's Varsity successes. SB was pleased to note the support of, and partnership with, Devon and Cornwall food action. SB summarised the work of the MSU officers and commended the ways in which they supported and engaged with students.

3.3 SB thanked BoG for facilitating her and LW's attendance at the two days of AdvanceHE Student Governor training and highlighted the benefits arising from this. SB commented on the Permanent Student Collective, a student council she had helped to create, involving a number of student institutions across Plymouth to discuss wider issues. SB provided an update on her visit to the Marjon Cornwall campus and the opportunity to meet with students and offer support. SB provided details of campus conversation podcasts and how the themes could be taken forward by MSU officers.

3.4 In response to a question, SB outlined the positives which she had taken from her role and thanked the BoG for their support.

3.5 SB was thanked for the report and update.

4. Report on Student Population Data

4.1 The report from Pro Vice-Chancellor, Katy Willis, was received. GR invited KW to provide an overview.

4.2 The report contained analysis of student population and retention. KW explained enhancements which had been made to data reporting and ELT's commitment to this being tightly aligned with the financial monitoring process.

4.3 The report covered the overall population, retention and interruptions, with particular analysis of undergraduate onsite data. Performance, actions and commentary were discussed. KW provided information in response to a question around specific schools' recruitment and withdrawals. KW summarised teacher education recruitment. BoG noted political and economic factors which may be influencing recruitment levels of international students. KW confirmed that careful scrutiny was applied to the data with regard to compliance with regulatory obligations. KW gave details of the 2025 campaign, noting positive engagement from prospective students, notwithstanding the sector-wide challenges.

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- 4.4 BoG discussed the pros and cons of recruiting to a programme without the requirement of an interview. KW confirmed that high quality of engagement with offer holders was being recorded.
- 4.5 KW noted the work of the University's retention and engagement action group in the face of affordability challenges faced by students. BoG was aware of the diminishing value of the maintenance loan and the financial pressures leading to disengagement. BoG sought assurances that ELT was carefully assessing students' rationales for withdrawal and how these could be addressed.
- 4.6. KW provided details of Marjon's shortlisting in a number of categories of the Student Choice Awards, and BoG commended all those involved on these accolades.
- 4.7 KW was thanked for the report and update.

5. Finance Update

- 5.1 The report was received.
- 5.2 GR introduced this item. He reminded BoG of the budgetary deficit which had emerged earlier in the financial year which, following a reforecast, had deteriorated further. A covenant breach had been waived by the bank as part of a renegotiated loan (for the Sports Centre). The process had been time-consuming and had delayed formal sign-off of the 2022/23 financial statements and incurred renegotiation with the OfS over annual returns submission deadlines. BoG noted that the returns had been made (Annual Financial Return (AFR) and Transparent Approach to Costing (TRAC) Return workbooks were in Part C); ELT was responding to queries arising from the submissions. GR noted that the minutes, in Part C, provided a record of events leading to this position. He noted that the issues should be viewed in the context of sector-wide challenge, of increased costs against a fixed unit of resource. GR acknowledged that there were some legacy issues, but others had emerged more recently in relation to financial processes and systems, together combining to create a challenging position.
- 5.3 BoG noted that the report contained a draft budget update and re-forecast which had been considered by Finance & Resources (F&R) Committee earlier in the month.
- 5.4 CT confirmed that F&R Committee were key in ensuring scrutiny, to understand variances and review ELT's plans. While much of the deficit related to non-cash items such as depreciation and pension adjustments, analysis was underway to assess areas of significant variance and to identify changes in interventions that would be needed to recover the position.
- 5.5 CT summarised work being done in four key areas: further refine the forecast and improve reporting and issuing budget information; manage cashflow, in the context of the new loan arrangements and requirements for the bank; generate proposals to stabilise the current position; promote growth and secure a future approach to sustainable operations. CT noted that ELT was working on plans relating to income generation and cost reduction. CT did not feel it would be acceptable for the scope of this to include further widespread organisational change, but through a targeted approach, with tight control over staff costs and staffing decisions linked to student numbers, contributions and ratios. The Workforce Development Group would continue to scrutinise all staffing proposals.

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- 5.6 CT noted that an interim F&R Committee meeting would be held in April, when a final forecast would be presented once data verification had been completed. **ACTION: CT.** CT was clear that the deficit would be reduced and gave examples of how cost savings and income lines had been identified, noting there was further work to do F&R Committee would also receive in due course a report on modelling the impact for the following year, based on a number of student recruitment scenarios. **ACTION: CT** CT confirmed that budget holders had been tasked with identifying finding further savings.
- 5.7 BoG was aware that monthly reporting responsibilities to the bank were a requirement of the revised loan, along with cash positions. These would require ELT to monitor the position more closely than previously; weekly ELT finance meetings were being held and a dashboard for cash-focused monitoring was being designed.
- 5.8 BoG noted changes to ELT personnel and also the finance team, including a new role of Interim Director of Finance, filled by Kevin Dixon, to support the stabilising of the position over the next 12 months. KD was already in close contact with internal and external auditors, particularly with regard to the internal audit advisory review findings; changes would be monitored by Audit Committee. An additional management accounting resource would be added to the finance team from April. CT confirmed ELT would also source interim advice and strategic consultancy, noting that a direct replacement for the Chief Operating Officer role was not under consideration at this stage.
- 5.9 CT provided details of how budget holder activity would be monitored and controlled. A risk - based approach would be taken with deeper levels of support depending on the complexity of a particular area. CT confirmed that an opportunities plan had been drawn up, across short, medium and longer term interventions related to further income generation and cost reduction. This would be summarised ed to F&R Committee. **ACTION: CT**
- 5.10 CT noted the significant challenge being faced by the sector with regard to future operating sustainability. Marjon 2030 would be critical in terms of growth ambitions and Marjon's desire to operate more efficiently and sustainably. CT noted opportunities to grow student numbers and develop academic partnerships, which would be done in a considered and sustainable way. MJ updated BoG on the recently achieved Nursing and Midwifery Council accreditation and on having met all criteria for the Initial teacher Training market review, which positioned the University well for the future
- 5.11 MJ confirmed that the Peninsula Allied Health Centre (PAHC) enabling works had commenced and the process for appointing the main contractor was underway. The investment for this had been secured via an OfS grant, with spend to be completed by March 2025 and the building opened in September 2025.
- 5.12 CT thanked BoG members for their support and the expertise which had been offered. CT noted that discussions around raising working capital and how to shift the operating model would be progressed as a priority, encompassing an estates asset review, corporate financing advice and the development of commercial opportunities.

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- 5.13 A BoG member commented that, given that the current trajectory was untenable, interim management support may be required, to move forward at pace with ‘command and control’, which could potentially include a further organisational restructuring process.
- 5.14 Assurance was sought as to the level of confidence BoG could have around potential cultural issues with regard to anticipating and dealing with issues quickly.
- 5.15 The point was made that the finance team would be absolutely key in improving the position, and was there capacity to sufficiently address the issues identified. This point was echoed by a fellow BoG member - was the finance team light on capacity and also powers noting that it needed to be able to direct and curb costs.
- 5.16 A BoG member asked whether there was potential to draw on the alumni network, to set up a fund to support students whose retention could be in jeopardy due to financial pressures.
- 5.17 A BoG member noted that, in November 2023, BoG had been assured that work to be done in the next quarter would have a clear and positive impact on the 2023-24 outturn position. This had turned out not to be the case and the BoG member sought assurances that current proposals would lead to a clear and positive impact in the following quarter.
- 5.18 A BoG member expressed the view that changes needed to be swifter and tighter. Delegations of authority (DOAs) needed to be tightened. They reiterated a concern expressed previously, regarding the revised loan covenant, that with cash limits fixed rather than flexing proportionately to reflect any drop in student numbers, under the current trajectory, the cash position would inevitably become tighter. The question was asked as to whether recruiting to the Chief Digital and Data Officer role should be deferred to allow the cash position to be brought under control.
- 5.19 GR’s view was that the deficit needed to be brought down considerably, and urgently, whether these were legacy issues or more recent. He had met with ELT and suggested practical steps to control spend. GR was of the view that a further redundancy programme should be considered, given that the recent process had not generated sufficient savings and, uncomfortable as it was, harder and deeper cuts were necessary to take the University out of this deficit position. However, this would take time to implement. GR flagged a lack of appetite on the BoG’s part for the extra work which any renegotiation of the covenant would entail and urged ELT to address issues immediately, to avoid this. GR reiterated BoG’s desire to support ELT, and this was mirrored by offers of support from BoG colleagues.
- 5.20 CT acknowledged the Chair’s points around culture and pace and thanked him for his time and expertise. In terms of his recommended actions, CT confirmed that they had been reviewed and incorporated as appropriate. CT confirmed that the finance team capacity was sufficient and she had confidence in budget holders to manage spend responsibly. The earlier suggestion about an alumni fund had been considered, but would require resource.
- 5.21 With regard to recruiting to the role of Chief Digital & Technology Officer, CT noted that this had already been delayed significantly, ELT was two people down in terms of capacity and the appointee would bring digital expertise and broader capability. In terms of redundancies, CT stated that ELT saw no scope for a widespread programme, but workforce development was

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being strictly managed, noting that potential pay savings of up to £1.5m would be carried forward to the following year. However, this needed to be balanced by an investment in people to deliver growth and new courses.

- 5.22 CT confirmed that an update would come to F&R Committee, ELT was working as quickly as possible and working hard to bring with it an organisation facing a challenging time.
- 5.23 A BoG member noted, in the appendix to the paper, adverse movements from two Schools and sought assurance that there were conversations taking place around these. In response, with regard to ELT actions around income generating and cost saving opportunities, MJ noted there were 35, including both cost-saving and income-generating opportunities. Work was being done to confirm the initial forecast and explore opportunities.
- 5.24 With regard to the PAHC building, MJ confirmed that the contract was within the value-engineered budget. Noting that the construction sector could not be relied upon to deliver within budget, a BoG member sought assurance that the risk of an over-run at 10 or 15% had been allowed for. MJ noted contingency within the overall budget and also two thirds of a specialist equipment line currently unspent which could be switched to a building over-run, totalling approximately £800k headroom which she felt was adequate.
- 5.25 A BoG member reiterated the fact that BoG was aware of the difficult position that ELT found itself in, and urged ELT to tap into the BoG's offers of support and expertise.
- 5.26 A BoG member, whilst acknowledging the need to carefully manage cash, sought assurance that no legal obligations to suppliers were being breached. This was confirmed.
- 5.27 CT was thanked for the report and update.

Marjon Tenancies Limited Closure Proposal

- 5.28 The report, by Duncan Swift, Marjon Governor and Chartered Accountant and Licensed Insolvency Practitioner (IP), was received. GR expressed thanks to DS for having spent time researching the position, with Stephen Plant, University Secretary & Registrar.
- 5.29 BoG noted the background, current position, closure options and closure recommendations with accompanying rationale, with a particular focus on the mitigation of risk, as set out in the report. DS provided an overview of the nature of any potential challenge and how this would be managed. DS provided information on the proposed timeline. BoG discussed the Directors' responsibilities. BoG asked whether a procurement process would be required; DS explained why Bishop Fleming, as the University's tax accountants, would be in a good position to advise, given their familiarity with the tax consequences for the University's recipients of the assets and ability to provide a blended input of tax and resources into modern terms; DS suggested that F&R Committee could discuss this further.

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- 5.30 Following discussion, BoG **AGREED** the following:
- That closure of the Company was now appropriate.
 - That closure of the Company should be by way of Members' Voluntary Liquidation (MVL) rather than Dissolution.
 - That the Board delegated its authority to Marjon's Finance & Resources Committee to explore and formally engage an appropriate independent IP to deliver a cost effective closure of the Company by way of MVL as described above. **ACTION: CT**
- 5.31 DS was thanked for the report and update.

6. Update from Committees

- 6.1 **Report from Committee Chairs** – GR invited Committee Chairs to provide a verbal update on the activities of Committees since the last BoG meeting. Minutes of meetings were contained in Part C. This meeting's discussions had covered key areas of focus. It was noted that the Audit Committee had requested that the liquidity position be added to the Risk Register. GR thanked chairs for their updates.

7. Chancellor's Tenure

- 7.1 The report was received. GR invited SP to present a summary.
- 7.2 The dedication of the University's inaugural Chancellor, Rt Rev'd Nick McKinnel, to his role was noted and he was thanked for his diligence and support.
- 7.3 With regard to the appropriate duration of his first tenure, and in alignment with the revised Articles (May 2022), BoG **AGREED** that the Chancellor's first term of office should conclude following Graduation 2026, with the possibility of a second five year term to follow, if mutually agreeable. The University's inaugural Chancellor, Rt Rev'd Nick McKinnel, was thanked for his work.
- 7.4 SP was thanked for the report.

Reserved Business – See *RB minutes*.

Close

GR invited colleagues to consider whether any of the meeting's discussions impacted on the current Risk Register; no new risks were identified.

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

Part B

The following reports were received and approved:

8. Minutes of Previous BoG Meetings (M1 23.11.2023; Extraordinary BoG 30.01.2024) were received as an accurate record and **APPROVED** with no amendments.

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The following reports were received for information:

9. Matters Arising from Previous Meeting
10. Risk Management and Risk Register
11. Estates Update
12. Update on Access and Participation Plan
13. Student Surveys 2023
14. Report on Academic Matters
15. Annual Equality Report
16. Data Protection and FOI Annual report
17. MSU Audited Accounts
18. OfS Annual Returns

Part C

The following reports were received as supplementary information:

- C2 Marjon Foundation Delivery Plan
- C2 Marjon Foundation Delivery Plan – Priority Actions
- C18 Annual Financial Return (AFR) Workbook
- C18 Transparent Approach to Costing (TRAC) Return 2022-23 Workbook
- C Minutes of Committees/Sub-Committees: (a) Audit Committee M1 14.11.2023; Extraordinary Meeting 25.01.2024 (b) Digital & Physical Infrastructure Group M2 31.01.2024 (unapproved); (c) Finance & Resources Committee M1 03.11.2023; Extraordinary Meeting 25.01.2024; M2 09.02.2024; (d) P&OD Sub-Committee M1 01.11.2023 (unapproved); (f) Senate 18.10.2023; 13.12.2023
- C Register of Interests
- C 2023-24 and 2024-25 Board Meeting Dates