HARPER ADAMS UNIVERSITY

Finance and General Purposes Committee

Minutes of the meeting of the Finance and General Purposes Committee held on 8 November 2016

Present:	Mr S Vickers	Chairman
	Dr D Llewellyn	
	Mr M Lewis	
	Mr P Nixon	
	Mr M Thomas	
	Mr D Wong	
In attendance:	Dr C Baxter	University Secretary
	Mrs L Furey	Director of Finance
	Professor P Mills	Deputy Vice-Chancellor

Members were reminded, if required, to update their entry in the Register of Interests. Mrs Liz Furey, Director of Finance, declared an interest in relation to the Agri-EPI Strategic Project item included on the agenda (in her role as Acting Chief Operating Officer for Agri-Epi).

16/01 **Minutes**

Approved: the minutes of the meeting of the Finance and General Purpose Committee held on 9 June 2016 (15/49-15/63).

16/02 **Matters Arising**

Received: a matters arising report from the University Secretary.

Noted: i) that the report included a table confirming the fee plan which had been discussed at the Board meeting on 30 September 2016. The table reflected the Board's decision that those undergraduate students commencing their courses in Autumn 2016 would not face an increase in tuition fees until they reached their final year of study. The table was based upon the fees that could be charged following the University's successful engagement with the TEF 1 process;

ii) that numbers planning to attend the November open day were also slightly lower than at the same point in 2015. An active social media campaign was currently in place to try and ensure that as many potential applicants and their families were attracted as possible. The University Executive continued to review application statistics on a weekly basis and to agree action plans, where necessary;

iii) that applications to Agriculture courses were generally lower than at the same point in previous years whereas applications to REALM courses had improved slightly. In some respects, this reflected a pattern that was last seen in 2001 when a number of issues were affecting the agricultural sector;

iv) that the University had taken a number of steps to bring forward interview arrangements so that students would have a response to their application at an earlier point in the year. An additional December visit opportunity had also been put in place;

v) that there would be an opportunity to review applications in detail once the January deadline for ‘on time’ applications had passed;

vi) that the University had recently received the draft template of TEF 2 metrics. It was pleasing that the table indicated a large number of green indicators, including a number noted as ‘green plus’ or ‘green plus-plus’. The University had been advised that one metric was marked as ‘blue’ ie below benchmark. This was in relation to the destination of other undergraduates into highly skilled employment. Work was currently underway to understand exactly which students had been allocated to this category as it was thought that workforce development students might be included who were gene3.1 (ue)]T5a.1 (l)3.1 (y)16.1 (

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scheme had to opt out formally, once again. This three-year cycle was a requirement of the auto-enrolment arrangements;

ix)

over a period of 24 months. Further consideration would be given to whether or not Cedar Energy needed to consider making a gift aid payment to the University during the year. This would be reviewed during January 2017 and the Director of Finance would advise Cedar Board and the Finance and General Purposes Committee as appropriate; **LF**

metrics. At the current time, the office tended to collate the total number of articles by 31 December each year and therefore it was possible that the number of articles reported might increase in due course. Members further noted that as Harper Adams had a significant amount of commercial and industry research income, it was therefore likely that the number of publications appearing in peer reviewed articles could change depending upon the percentage of confidential research income that was being received in any one year whereby publication might not be possible under the contract agreed with commercial/industry partners;

xxiii) that the two Lloyds Bank covenants had been reviewed under FRS 102. The Bank's requirements had been met and the University was careful to ensure that it monitored compliance with covenants on a regular basis at each point in the year when forecasting was undertaken. Reports were also made to the Bank on a quarterly basis;

Agreed: i) to recommend to the Board the Annual Report and Financial Statements subject to a number of minor corrections to grammatical points being addressed; **CEB**

ii) to recommend to the Board that the letter of support to Cedar Energy Limited should be approved; **CEB**

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iv) that information on Funding Council grants was becoming clearer and these appeared to be less volatile at the current time. It was likely that the following year's grant would appear to be more certain based upon the previous year's performance in future;

v) that the re-presented accounts highlighted teaching, research and other activities and provided information upon the total year to date. However, it was recognised that teaching and research was phased across the year and that some of this activity would also be linked to other 'activities';

vi) that the accounts clearly demonstrated that, if recruitment did not meet targets and fell significantly, to a level of (say) 80% of target, this would clearly impact upon the University and would affect cash generation, in particular. It was important, therefore, that the University had reserved some of the ISF funds at the current time until the picture became clearer.

16/08 **Capital Budget 2016/17**

Received: a paper from the Director of Finance on capital carry forward from 2015/16 to 2016/17.

Noted:

i) that, as presented later on the agenda, a number of key capital schemes continued to be progressed including the laboratories scheme, the Agri-Epi schemes and the STEP (green energy) scheme;

ii) that, in addition to the capital schemes, a number of maintenance plans were under development and/or underway;

iii) that the Estates and Facilities Manager was currently completing a review of the Estates Strategy and putting together, in particular, a proposal for focusing on maintenance in the short to medium term. In light of this, it was proposed that the University would not take on major capital projects in the very short term, although two key areas would need to be considered in due course. These were sports facilities and additional academic staff office accommodation. Both of these would require donations to be progressed;

iv) that a further planned activity was to review the capacity of the Estates Team and to consider carefully the use of contractors;

v) that it was not always easy for the Estates Team to spend all of their allocation by 31 July each year as a number of important projects could only take place over the summer period and, therefore, capital funding tended to be needed to be carried forward so that projects could be

ii)

Noted: i) that the University had been engaging proactively with the local and neighbourhood plans for Telford & Wrekin, Edgmond and Newport

16/13 **Key Performance Indicators**

Received: Key Performance Indicator data for 2014/15.

Noted: that following feedback from the Board, a significant amount of work had taken place over the summer to consider whether or not the Board KPIs remained key performance indicators and which of the other detailed KPIs were, in fact, PIs or did not need to be reported on formally as PIs. This exercise had led to the Board KPIs being reaffirmed largely in the same format as previously but a significant number of previously reported KPIs being taken out of the tables and a succinct group of PIs being confirmed.

Agreed: i) that the Board level KPIs as presented were appropriate and should be recommended to the Board at its meeting on 29 November 2016; **CEB**

ii) that the PIs would, in future, only be uploaded for the information of members to the Governors' document library and would not be circulated to the Finance and General Purposes Committee as part of the agenda item. **CEB**

16/14 **Committees**

i) Farm Strategy Committee

Received: the minutes of the meeting of the Farm Strategy Committee held on 13 October 2016

ii) Health and Safety Committee

Received: the minutes of the meeting of the Health and Safety Committee held on 27 October 2016.

Noted: that a member of CERC staff had unfortunately been involved in an accident which had been followed up with additional measures being put in place to prevent a recurrence.

16/15 **Any Other Business**

Mind the gap' - Understanding the Financial Sustainability Challenge - a briefing for Senior Managers and Governing Body members

Noted: that this recent publication was helpful and provided useful information for members of the Committee.

Development Trust

Noted: i) that the Development Trust had received a request from a donor whose donation had been submitted in time to generate a successful claim for matched funding. Matched funding was held by the University following the transfer of the donation to the University in 2011. The donor has asked the Development Trust to consider whether or not some or all of the matched funding might be added to the original donation in the form of M&G units. Although under the matched funding scheme donors were not able to determine how funds should be used or invested they (f)-10.2(0)-12.2 (ad)-17.3 3.71 0 Td[(f)-13.2(0)-1