

BISHOP GROSSETESTE UNIVERSITY

MINUTES OF THE MEETING OF THE
FINANCE, EMPLOYMENT & GENERAL PURPOSES COMMITTEE

WEDNESDAY 24 FEBRUARY 2016

ROOM 102, 2.00PM

Present

Mr David Babb (Chair)
AVM Gavin Mackay
The Rev'd. Canon Professor Peter Neil
Dr Kevin Brown

In attendance

Dr Anne K Craven, Registrar and Secretary
Mr Stephen Deville, Director of Resources
Professor Jayne Mitchell, Deputy Vice Chancellor
Mr Fred Robson, Head of Estates
Mr Barrie Shipley, Head of Finance
Ms Abi Rogers, SU Manager (for item 7 only)
Ms Becca Smith, SU President (for item 7 only)
Mrs Natalie Pickles, Governance Officer & PA to University Council

1 Welcome

The Chair welcomed everyone to the meeting.

2 Apologies

Apologies for absence had been received from Stephen Lawrence, Alison Smith and Mark Thompson.

3 Declarations of Interest

There were none to declare.

4 Minutes of Previous Meeting held on 3 November 2016

The minutes of the previous meeting held on 3 November 2016 were APPROVED as a true record of the meeting SUBJECT to the following amendments:

Item 9(ii) Salary Benchmarking

Page 4:

Last bullet point should be replaced with:

- Currently, there is not an established promotions system but the intention is to provide a *clear career progression trajectory for all academic staff*

Page 5

First bullet point should be replaced with:

- There is a system that exists to use 'contribution' points for staff who are performing well but it *has not been widely and systematically* utilised in the past

5 Matters Arising

(i) Action Points

Members RECEIVED and NOTED the progress against the action points. It was NOTED that reference to the QQ Review in the Action Table should read QAA.

(ii) Any Other Matters

There were no other matters to discuss.

6 Finance

(i) To note and consider the mid-year financial update and summary variance notes

FE&GP RECEIVED the mid-year financial update and summary variance notes. The Head of Finance NOTED the following key points:

- There was an improved financial position of circa £1m. The main driver for this was the student numbers actuals figure compared to the original forecast combined with delays in recruitment of staff.
- Table 2 showed the main movements in the balance sheet. The land purchase had been removed from this financial year (on the fixed assets side) which had impacted on the cash balance, increasing the surplus for the year and showing a reduction in capital expenditure. The pension asset liability had been updated for the latest return as of 31 July 2015.
- Table 3 summarised the cash flow changes.

FE&GP Committee queried the University's policy on cash holding. The Head of Finance confirmed that cash was being managed effectively in terms of gaining the best interest deals but that there might be scope to move some monies to other places. The University's Treasury Policy, which provided details about what cash reserves the University can hold, had been updated in February 2015.

FE&GP AGREED that the Treasury Policy should be reviewed at the next FE&GP meeting.

Barrie
Shiple/ /
Natalie
Pickles

(ii) To note and consider the opening 14/15 Accounts in FRS102 format

The Head of Finance presented the opening 2014/15 re-stated financial statements following adoption of the new financial reporting standard (FRS102) and new Higher Education Statement of Recommended Practice (SORP 2015).

The impacted changes were shown on the document in yellow and the notes referred to those impacts on the financial statement.

The following points were NOTED:

- There was an option to revalue the land (thereby increasing the fixed assets total). This would need to be done by 31 July 2016 and would require a commercial agent valuation. FE&GP APPROVED the land re-evaluation.
- The Director of Resources (DoR) highlighted the impact on pension provision and more specifically the USS pension liability. It was expected that USS membership would grow; however, the University would continue to monitor this closely because if membership did not increase, a deficit of in the region of around £230K could crystallise.

FE&GP AGREED that the pension issue should be an Agenda item sometime within the next Academic year.

- Under the new FRS102 format, the intergroup loan for BG (Lincoln) Limited should really be shown as a commercial rate loan; therefore their loss will be increased by a notional interest. This will be reviewed with the external auditors for appropriate treatment.

Barrie
Shiple/Steve
Deville

Steve
Deville/
Natalie
Pickles

(iii) To receive an update on the Limited Company **RESTRICTED BUSINESS********7 To note and consider an update from the Students' Union**

The SU Manager and SU President attended the meeting for this item to provide an update to FE&GP. The main points were NOTED:

- Budget was on track.
- The budget surplus would cover an unforeseen expenditure of £2k for a one off payment for an SU Health & Safety Policy and related work with an external provider
- Funding income and salary costs were now completely transparent in accordance with requests from the auditors.
- The Foundation Fund now awards the SU up to £5k per year for sporting event transport costs.
- Year-end accounts have been finalised, approved and signed by the trustees and independently audited. The accountant will be filing them with the charity commission.
- The new executive team will be elected on 4th March, which is when planning for the next financial year can begin.
- The SU Strategy, currently being written, will be aligned with the BGU strategy (up to 2019) and should be completed by Easter.

8 Human Resources

(i) To Receive and discuss the HR staffing report

The FE&GP Committee RECEIVED the HR staffing report. The following points were NOTED:

- The Academic / Non-Academic staff ratio, currently at c. 1:2 excluded visiting tutors. These would be added in at the end of the year (31 July), which would increase the numbers of academic staff in the ratio. At this moment in time the University had more support staff per academic than some other institutions; however, this was not an easy matter to make comparisons on given that other institutions outsourced various departments such as cleaning / porters / catering etc. Moreover, it was noted by the Committee that a University also simply needed certain numbers of administrative and professional staff to ensure the successful running of the organisation and to make sure that the academic staff were not overburdened by administrative duties. Business planning would be addressing this issue over time by making it a point to recruit more into academic areas than business support where possible.

It was AGREED that for the next FE&GP meeting, it would be useful if the academic/support staff ratio and staff cost figures had an appropriate comparator for benchmarking against.

Steve
Deville/
Alison
Smith

(ii) To receive and discuss a report on Salary Benchmarking with the Sector **RESTRICTED BUSINESS**

9 Estates

(i) To receive and discuss an update on Building works and Phase 2 of Constance Stewart Hall (CSH)

FE&GP Committee RECEIVED an update on the above. This provided details of expenditure and commitment on capital estates projects and general estates information. The key points were NOTED as follows:-

- Approval was sought from FE&GP Committee to continue with the Phase 2 CSH development under the same EMPAi framework arrangement as Phase 1. This was ready now to go to the planners in order to get the proposed contactors (Robert Woodhead) on site by June. FE&GP APPROVED that the proposals be taken to the planners and APPROVED expenditure for the project of £2.9m (although it was noted that it was hoped this figure might be reduced by good value engineering and early engagement of the contractor).
- It was NOTED that it was anticipated there wouldn't be any objections to the proposals but that local consultation would commence as early as possible.

(ii) To receive an update on the Estate **RESTRICTED BUSINESS**

10 To receive an update on Student Recruitment

FE&GP RECEIVED an update on student recruitment for 2016 entry, with particular emphasis on the 15 January UCAS deadline.

The following key points were NOTED:

- Numbers were still in line with the trajectory presented by the previous year's numbers that were presented to Council in May/June time.
- Considerable effort is being put into the process of converting undergraduate applications and offers to firm acceptances in order to ensure that targets were achieved. Teams were looking at interrogating the data more rigorously to improve conversion further. The Portfolio Management Group was going to look at eight new programmes for validation but the University was now also looking at refined data using dashboard style real time analysis of applications and offers made and target outreach activity much more specifically.
- The expectation was that the 2016/2017 undergraduate numbers will be marginally up.

11 To receive and consider Agenda suggestions for the next meeting

- Finance and the main forecast budget
- Staffing / benchmarking – verbal update – with the main update on these discussions in October 2016
- Staff survey first analysis – for the June meeting

Steve Deville/
Natalie Pickles/
Alison Smith

12 Any Other Business

It was NOTED that the Committee had already discussed the Universities Superannuation Scheme, which was originally to be presented as an AOB item.

The Committee registered its congratulations to all staff involved for the stunning results achieved in both Ofsted and the QAA HER.

13 To recommend key items for University Council

- Mid-year financial update
- CSH phase 2 update
- FE&GP discussions regarding staff remuneration (noting that the item was restricted)

14 Date of next meeting

The next meeting of the FE&GP Committee will take place on Thursday 2nd June 2016 at 2.00pm.

Signed  Date 2/6/16

