

BISHOP GROSSETESTE UNIVERSITY

MINUTES OF THE MEETING OF THE
FINANCE, EMPLOYMENT & GENERAL PURPOSES COMMITTEE
THURSDAY 15 June 2017
ROOM 102, 14:00 HRS

Present

Mr David Babb
AVM Gavin Mackay
~~Mr Stephen Lawrence~~
Mr Alan Stacey
Revd Canon Professor Peter Neil
Mrs Jackie Croft

In attendance

Mr Jonathan Batty, Director of Marketing (item 7)
Mrs Alison Coton, Head of Human Resources (item 9)
Mr Stephen Deville, Director of Resources
Dr Anne Jackson, Registrar and Secretary
Professor Jayne Mitchell, Deputy Vice Chancellor
Mr Barrie Shipley, Head of Finance
Mr Kieran Parrish, SU President (item 8)
Mr Matthew Pitts, Governance, Compliance and Operations Manager
Ms Abi Rogers, SU Manager (item 8)
Mr Craig Stacey, Head of Estates (item 10)

Action

1 Welcome

The Chair welcomed all present to the last FE&GP meeting of the year.

2 Apologies

Apologies had been received from Dr Kevin Brown and Mr Stephen Lawrence.

3 Declarations of Interest

No new declarations of interest were received.

4 Minutes of Previous Meeting held on Monday 7 November 2016

The minutes of the previous meeting held on 23 February 2017 were APPROVED as a true record of the meeting. The Chair was authorised to sign them.

5 Matters Arising

(i) Action Points

It was NOTED that all of the Action Points listed were as agreed at the previous meeting.

The Members NOTED progress against each of the action points.

(ii) Any Other Matters

There were no other matters.

6 Finance

- (i) To consider the financial forecasts and the 2017–18 Budget for submission to Council for its approval (*attached*)

The Head of Finance presented an update on the financial forecast for the year-end. It was noted that the 2016–17 budget included an approximate deficit of £120k, and that a forecast of a £650k surplus had been reported to the Committee's last meeting. The Members were advised that the forecast had been revised to a £1.3m surplus at the year-end. The surplus was attributed to a slight increase in income, delays in filling vacancies, and some reduction in non-pay spending.

The Head of Finance presented the 2017–18 academic year budget. The Members were advised that the budget was based on student recruitment numbers being hit. It was noted that current forecasts suggested there may be 50 fewer students recruited than target; this would reduce income by approximately £450k, which would alter the forecast from making a surplus, to breaking even.

It was noted that income from the funding council was expected to fall. The Members were informed that the budget included a 2% inflationary rise in pay costs, however, inflation had not been factored into budgeted fee costs. It was noted that USS pension contributions were likely to rise significantly. The Members were told that costs for the potential land acquisition were included in the budget, but no funds had been allocated for building on the land. It was noted that the only building works included in the budget were minor office conversions.

The Members were advised that there was an assumption of zero borrowing within the financial year. There were no significant financial commitments included within the budget, except for existing accommodation leases. It was noted that the pension deficit was assumed to be static within the presented figures, however, the Head of Finance advised the Members that this was unlikely to be the case. The Head of Finance told the Members that the budget met all the KPIs, except for the required percentage of turnover for the surplus;

It was noted that the expected surplus was approximately £500k; it was noted this was expected to be realistic, as areas of underspend in previous budgets had been addressed.

It was noted that the change in costs arising from the three SLT vacancies had not been factored into the budget.

The Committee AGREED to recommend the budget to University Council for approval.

**Governance
Office**

- (ii) To receive an update on the Limited Company (*attached*)

The DoR presented this item. It was NOTED that the agreed £250k from the University to support the limited company's cash position had not been drawn upon, this was because the company had improved its practice in several areas, including, debt collection, and taking booking deposits.

It was noted that the revised company loss forecast was £104k, the previous forecast was £192k.

- (iii) To receive the BG (Lincoln) Ltd. Catering Review (*attached*)

****RESTRICTED MINUTE HERE****

7 To receive an update on student recruitment (*attached*)

The Director of Marketing presented an update on student recruitment. It noted that there were 7% fewer applications received than the target; however, the University was ahead of target for accepted firm offers. The Members were advised that the University needed to be within 50 of the target coming into clearing to meet the target. It was noted that new follow-up systems had been implemented to maximise uptake of offers.

It was noted that postgraduate programme recruitment was behind target; however, actions were being taken to improve the situation. It was noted that there was significant growth in international interest and application numbers.

It was noted that the University had benefited from improved management information for recruitment. The Committee welcomed news that improvements were being made to the website to make it more potential-applicant friendly. The Committee praised the DoM's professionalism and leadership in his area of responsibility.

9 Employment

- (i) To receive the HR staffing report (*attached*)

The HoHR presented the staffing report. It was noted that there was growth in the number of casual and fixed term contracts; these related to grant funded projects. It was noted that the staff turnover rate was 13.7%; this was in line with the sector average.

It was noted that the proportion of staff over the age of 50 was above the sector average. The Members queried why this range was used. The Members were advised that this higher percentage was partly attributed to BGUs comparatively low numbers of early career researchers.

(ii) Staff Survey Action Plan – update (*attached*)

The HoHR provided an updated on actions taken following the Staff Survey results. It was noted that work was ongoing to introduce wellbeing initiatives. The Members were advised that uptake of development opportunities had not in the past been fully captured centrally; it was reported that processes were being implemented to address this. The Members AGREED that it was important to communicate effectively BGU's total reward and benefits package.

(iii) Progress report on senior salary review (*verbal update*)

It was noted that a senior salary review would be considered by Remuneration Committee on 22 June 2017. The Members were advised that the Remuneration Committee's recommendations would be reported to FE&GP as necessary.

The Chair thanked Mrs Coton for her contribution to the work of the Committee as this was her last meeting before she left the University. He had valued all that she had done in ensuring that the University's HR had been in safe hands.

8 To receive an update from the Students' Union

(i) To receive an update from the Students' Union (*attached*)

The SU President gave an overview of his report. The success of the parliamentary hustings broadcast online was praised.

The Members noted the vacant SU executive positions, which included the Student Union member of Council, and the Campaigns Officer. The SU president explained that the SU had found it challenging to engage with students during the year in some areas.

The SU President expressed his disappointment that the Graduation Ball was not going ahead because of low ticket sales. It was noted that the extensive consultation had been undertaken to help create an event that appealed to students. The SU President explained that he understood many students had chosen to run their own events to mark their graduation with their course mates and friends. The Members were advised that next year the SU would aim to put on a graduation event that was cheaper for students.

The Members thanked the SU president for his candid and honest report.

- (ii) To note the SU draft budget 2017–18 (*attached*)

The draft budget was noted. The Members were advised that it was going to be considered by the SU Board of Trustees on 30 June 2017.

9 Estates

- (i) To receive a building works update

The Members welcomed the new Head of Estates, Mr Craig Stacey. It was noted that Phase 2 CSH was due to be handed over on 23 June 2017.

It was noted that the University had taken possession of the LORIC building. The Members were advised that the same contractors were to work on the project as on the CSH Phase 2. The Members were invited to attend a viewing of the building on 30 June. Details were given on how the building purchase was funded.

The Members were advised that refurbishment of the gym and music spaces was due to take place over the summer.

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10 Agenda suggestions for future meetings

The Members AGREED that they would welcome a further opportunity to discuss the progress of the Staff Survey Action Plan, BG Lincoln, and the land purchase at the next meeting.

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11 Agenda management & review

AVM Mackay stated that he felt the amount of time spent on each meeting item was satisfactory. He also stated that he found the reports helpful, particularly the recruitment report.

13 Any Other Business

It was noted that Stephen Lawrence and members of University staff had been working together to consider the University's approach to fundraising. The Members were advised that the first step in developing this area would be to run an 'advancement campaign', it was suggested this would need Council's endorsement to be a success. The Members AGREED to support the suggestion.

**Chair of
FE&GP/
Governance
Office**

The DoR advised the Members that the USS pension scheme was going through revaluation. The Members were told that there was expected to be a large increase in the scheme deficit. It was noted that the change in the University legal status could result in pension scheme crystallisation. It was AGREED that the DoR would provide a short paper for Council to outline the situation.

DoR

14 Key Items for University Council

It was AGREED that the follow items would be drawn to Council's attention:

**Governance
Office**

- the proposed budget
- an update on the land purchase
- an update on the limited company, including the recommendations on the loan and subsidy

14 Date of next meeting

Members noted that the next meeting would be held on 8 November 2017 at 11am.

Signed.....  Date..... 8/11/17