

BISHOP GROSSETESTE UNIVERSITY

**MINUTES OF THE MEETING OF THE
FINANCE, EMPLOYMENT & GENERAL PURPOSES COMMITTEE****WEDNESDAY 13 NOVEMBER 2013
2:00 PM IN ROOM 103, SKINNER BUILDING**

Present

Mr David Babb (Chair)
Dr Kevin Brown
Rev. Professor Peter Neil
Dr Jim Smith

In attendance

Mr Stephen Deville, Director of Resources
Mr Jamie Caress, Students' Union President (for item 11)
Mr Rob Jones, Director of Enterprise (for item 10)
Mr Stephen Kirby, Finance Manager
Ms Hâf Merrifield, Deputy Vice Chancellor (Strategy & Performance)
Mr Fred Robson, Head of Estates (for item 7)
Ms Alison Smith, Head of Human Resources (for item 8)
Ms Emma Smeaton, Minuting Secretary
Ms Katie White, Interim Clerk to University Council

Action**1. Welcome**

The Chair welcomed members to the first meeting of the Committee for the current academic year, noting that it was Katie White's first in her role as Interim Clerk to the University Council. Introductions around the table were made.

2. Apologies

Apologies for absence were received from Professor Mark Thompson.

3. Declarations of interest

There were no declarations of interest.

4. Membership and terms of reference

The Committee membership was confirmed as:

Mr David Babb (Chair)
Dr Kevin Brown
Rev. Professor Peter Neil
Dr Jim Smith
Dr Mark Thompson

Others to normally attend would include the Deputy Vice Chancellor (Strategy & Performance), Director of Resources, Finance Manager, Head of Estates and the Head of Human Resources.

The relevant name and title changes to the terms of reference were accepted and it was noted that the Finance Manager would be added to the attendance at meetings list. It was also noted that Dr Jim Smith had transferred his membership from the Audit Committee to the FE&GP Committee for the interim period until new Council members were in place.

5. Minutes of the last meeting held 13 June 2013

The minutes of the meeting of the 13 June 2013 were confirmed as a true record of the meeting and the Chair was authorised to sign them.

6. Matters arising

Minute 5 Students Union, (ii) SU Governance

The Deputy Vice Chancellor confirmed and read out to the Committee the replacement words that had been agreed with the Students' Union to retain the opportunity to intervene in the case of a more severe risk. All were content.

Minute 12 Any other business

The Director of Resources confirmed that this issue was currently on hold whilst they looked at the grading structure and the possibility of a reward structure as part of that.

7. Estates

(i) Building works update

The Committee recorded their congratulations and thanks to the Estates team for the general overall improvement of the University campus. The Head of Estates talked members through the list of larger schemes that had been completed or were still in progress since last reporting. An update of expenditure against budget for major capital items which outlined the approved budget, projected cost, commitment and actual spend using information from the bluQube financial system was also provided to the Committee. Members agreed that it would be helpful to have a rough percentage estimate fee initially included in the budget before an actual cost was submitted.

FR

(ii) Health & Safety annual report

The Director of Resources noted that the report had been approved by the Health & Safety Committee before coming to FE&GP and reported that overall the number of incidents had fallen with a slight increase in accidents being reported due to the sports activities on campus during the summer. The Committee noted that no issues had been reported as a result of the contractual work on campus which had been extremely well managed by the University and the contractors. The rolling action plan drawn up by health and safety experts, Mouchel was discussed, noting that the issues highlighted in purple had been dealt with and those left white would roll over to next year's report. It was agreed that the Director of Resources would feedback to Mouchel that the Committee would find it more helpful if the list was ordered in terms of priority.

SD

8. Employment

(i) Staffing report from HR

The Head of Human Resources reported on staffing, noting that the diversity and equality statistics were currently being processed and would be available for the next meeting of the Committee. It was reported that a data validation exercise had recently been undertaken which had improved staff reporting for disabilities. The Committee noted that the staff turnover percentage of 15.4% was particularly high, 10.4% of this reflected voluntary leavers with the total including redundancies and retirements. Members agreed that although this percentage had increased over the past 6-7 years it was now at a healthier rate, reflecting retirements, promotions and staff moving on due to family commitments with resignations being evenly spread across departments. The Head of Human Resources reported two areas of concern that they were looking at carefully within the context of the Strategy; casual and fixed term as a percentage of all staff and academic staff:non-academic staff ratios.

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(ii) Follow up to the staff survey

The staff survey concluded in early September with high level results being reported to Council during the last meeting. Since then there had been 4 workshops open to all staff with approximately 100 colleagues attending the sessions chaired by the Vice Chancellor and Head of Human Resources. The main themes were explored and the context unpacked, highlighting key areas which had been communicated to staff. Key areas included:

- The appraisal process – a review to be reported back in the spring term.

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- Communication and cooperation, ways to share across departments information about projects underway and how to contribute – the Staff Portal was now in place providing internal communication University wide.
- To develop the internal communications group, including the student body - it was noted that the Informal Corporate Leadership Team was now in place.

Though the key areas identified were institution wide, the Head of Human Resources was meeting with hub leads to address individual hub issues. Good progress was reported with progress having been communicated with staff. Members agreed that communication was an issue which would always arise in staff surveys. The 91% response rate was noted as excellent, particularly as this was not because staff had lots of complaints, rather a lot of positive feedback. The Vice Chancellor reported on the positive sessions with staff and comparisons with Newman University with the process on-going to assess the impact. An area that did not score too well was dealing with staff poor performance and the need to look at sickness absence was also highlighted, ensuring that the institution was being as proactive as possible. The presentation given by the Head of Human Resources at the last Council meeting would be uploaded into the secure University Council area of the website so that members were able to refer back if they wish.

KW

9. Finance

(i) Summary accounts and variances

Members received the current accounts and variances and the Director of Resources reported that an update on the current year would be provided at the next meeting. The main point to note was that recruitment in terms of intake was slightly lower than expected at around £150k, however retention on years two and three was higher than expected at £170k. It was anticipated that there would be a small number of resits that would drop out but the January intake of Foundation Degree students was yet to be included into the numbers with the overall picture of the fee income balancing off reasonably well. The Vice Chancellor noted that HEFCE were very supportive of BGU as an institution in transition.

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The Head of Finance reported on the notes on major variances, noting the increased GTP places as we did not lose as many students as expected. The reduction in Fundraising was noted as well as the extra projects which had brought in extra income and the sale of fixed assets profit of £82k. Under the Pay Expenses section the redundancy cost was reported for three individuals and the amount in anniversary rewards was noted as being much less than budgeted for, this was allocated for staff at the top of the pay spine who could apply for a contribution point but no applications were made. Under the Non-Pay Expenses section it was noted that the Other income Generation figure should be in brackets. It was reported that two elements in this section were not seen as good news from the student perspective; academic consumables and student bursary costs and it was important to look at ways to ensure that money allocated to improve the student experience was spent. The Committee noted that the bursary allocation was published well and the student survey targeted these students but the applications did not come in. The Director of Resources reported that it was possible the student bursary cost was over budgeted for and last year was the first time students had to apply for their bursary, this year we would be switching back to the automatic process which should resolve the issue.

(ii) Draft audited financial statements

The Committee noted that these had gone to the Audit Committee the previous week and although there were still grammatical changes to be made the actual figures would remain the same. It was noted that the issue around the collection of student fees had been improved through the RIE and we were considerably further ahead than the same time last year.

The Committee noted their concern at the amount close to £4 million in the cash in hand at the bank account. This was money in the bank which was immediately available. Although it was good to have a substantial amount of money in the current account, this yielded a minimal level of investment return and having a large sum of money that was not spent on improving the student experience could be viewed in a negative way. It was reported that the finance department would look to move some of the money back into the longer term investment account. The Deputy Vice Chancellor also reported that when it came to presenting the final version of the Strategy to Council, there would be lots of ideas for investing capital money and increasing current expenditure with recurrent and capital investments a consequence of the Strategy work. The need to spend strategically was noted and sensible decisions about how much should be kept in the reserves would be reserved for Council to make the final decision. It was also noted that as an institution the target of liquidity days was 120.

- (iii) External audit management letter of representation

The Committee noted that the external audit management letter/report had been through Audit Committee and the Director of Resources reported that everything was above board.

- (iv) Other draft audited accounts

The BG Lincoln Ltd. accounts were received noting the £115k increase in turnover and the gift aid benefit to the institution was compared with the previous year.

The BG Students' Union accounts were also received noting that they were an improvement upon the previous year which incorporated a £20k spend on the SU function room and the SU Common Room. It was noted that this time next year the Students' Union would be an unincorporated charity and were nearing their £100k income limit.

- (v) Draft Annual Monitoring Statement

The Deputy Vice Chancellor reported on the Annual Monitoring Statement 2013 for return which was a fairly standard format that was completed every year. The insufficient information on the diversity and equality of University Council members held due to the incompleteness of the appropriate forms was noted and it was agreed that the language in the response to question 13 would be neutralised.

KW

- (vi) HEFCE accounts direction annual letter

The HEFCE accounts direction annual letter was received and noted.

10. Follow up to Audit Committee

- (i) Review of Fundraising

The Director of Enterprise attended for this item and reported that the Audit Committee had asked for the review to be brought to the FE&GP Committee. It was on the Uniac audit plan for them to produce the report and one of their recommendations was concerns regarding BG's fundraising historically and to date and the Audit Committee felt that it was worth raising with the FE&GP Committee to explore in more detail.

(ii) Development Office Plan & Budgets 2013/14

The Committee received the Alumni and Development Business Plan 2013/14 which had been circulated to the Audit Committee since their last meeting via e-mail. The Director of Enterprise reported that the plan had been revised following last year to be a more rounded and realistic plan of where we are at and where we are going. The Committee agreed that the clear point at which University Council should make a decision was not quite yet but next August/September as the plan was work in progress and hasn't been in place long enough to put matters right. Members noted that it had looked better by benefiting from the HEFCE matched funding scheme but since that had gone the capacity we had hoped for has not been built on. It was reported that behind the scenes foundations were in place and governance was much better but the challenge was that we had neither scale or high net worth donors and a call to action of why people should give money to BG was not in place. It was agreed to wait and see if the Strategy came up with a desirable project that fundraising could help develop and deliver over a medium term timescale.

The Committee agreed that alumni relations and development activity should be treated separately as there may come a point where there was a need to split the relevant costs. The challenge in the fundraising circle was for the fundraiser to raise three times their costs and the Fundraising and Campaigns Manager was not naïve to this fact, understanding the consequences of not delivering. Members noted the requirement to consider what BG needs to raise money for as there was a lot of activity within the fundraising strategy but little purpose. A buy-in across the organisation to sacrifice smaller projects and for all departments to agree priorities and where the effort needs to be was required. Grants for research projects should be led by departments and fundraising should lead on corporate objectives which require strategic decision. It was agreed that this would be raised as a key item to Council.

UC

11. SU review implementation

The Students' Union President attended for this item and the Deputy Vice Chancellor reported that the FE&GP Committee had been the key oversight body for the review of the Students' Union which took place last academic year. Two broad aspects were highlighted:

- The setting up the SU as an independent charity and the governance around this and the creation of the byelaws to the constitution was reported as well underway. The creation of the Trustee Board and related appointments were underway with two independent members already appointed and elections on going for the other elected members.

- The final challenge was to create a Memorandum of Understanding outlining how the University and the Students' Union work together. The process of working through agreements with individual departments was also underway.

The Committee noted that it would be a further few months before the charity registration would take place but things were moving ahead. It was reported that this year's Exec had done some excellent work providing social activities that engaged mature students, visiting more distance learners and setting up forums with Foundation students. There had been more work on the website, publicity and marketing for academically focussed activities as well as social events and more course representatives appointed than ever before with job roles in place. Members noted that just over 50% of BG's students were classified as mature students which comprised of PGCE students and work based Foundation Degree students. The Chair thanked the Deputy Vice Chancellor and the Students' Union President noting that the Committee looked forward to future reports and the achieving of charity status.

12. Agenda suggestions

There were no suggestions for agenda items.

13. Any other business

There was no other business to discuss.

14. Key items for the University Council

- Fundraising activities – The Committee to highlight the positives and to report that this would be revisited once the new Strategy had been developed.
- The need to spend strategically and decisions about the amount to be kept in the reserves
- Estates work

15. Date of next meeting

The next meeting of the Finance, Employment & General Purposes Committee would take place on Tuesday 25 February 2014 at 2:00 pm.

Signed  Date 25/2/14