

BISHOP GROSSETESTE UNIVERSITY

**MINUTES OF THE MEETING OF THE
FINANCE, EMPLOYMENT & GENERAL PURPOSES COMMITTEE
MONDAY 11 JUNE 2018
1:00 PM IN ROOM 103**

Present:

Mr David Babb (Chair)
 Dr Kevin Brown
 Mrs Jackie Croft
 Mr Stephen Lawrence
 Rt Rev'd Dr Nigel Peyton
 Mr Alan Stacey

In attendance:

Mr Jonathan Batty, Director of Marketing, Recruitment & Communications (item 7 only)
 Mr Stephen Deville, Chief Operating Officer
 Mr Gareth Hughes, SU President 2017/18 (item 11 only)
 Ms Suzanne Kane, Director of Estates & Facilities (item 10 only)
 Ms Abi Rogers, SU Chief Executive Officer (item 11 only)
 Mr Barrie Shipley, Director of Finance (from item 5 onwards)
 Ms Emma Smeaton, Governance Officer (Minuting)
 Mr Umar Zamman, Director of People and Organisational Development (from item 5 onwards)

Action**1. Welcome**

The Chair welcomed members to the third FE&GP Committee meeting of the 2017/18 academic year.

2. Apologies

Apologies were RECEIVED from AVM Gavin Mackay. It was NOTED that the Vice-Chancellor would not be present for the meeting as he was away in New York at a conference. However, he would be Skyping in for item 4 on the agenda.

3. Declarations of Interest

There were no new declarations of interest received.

4. RESTRICTED ITEM

To receive and discuss the Senior Reward Proposal

Minutes restricted.

5. Minutes of the last meeting held on 19 February 2018.

The minutes of the FE&GP Committee meeting held on 19 February 2018 were APPROVED as a true record of the meeting and the Chair was authorised to sign them subject to the inclusion of the following:

Item 9 – To discuss a proposal on fundraising

For clarification it would be included in the minutes that the FE&GP Committee were responsible for the Disbursement Committee.

The restricted minutes of the FE&GP Committee meeting held on 19 February 2018 were APPROVED as a true record of the meeting and the Chair was authorised to sign them.

6. Matters arising

(i) Action table

Members noted the progress of actions set out in the action table produced by the Governance Office.

(ii) Any other matters

There were no other matters arising.

7. To receive an update on student recruitment

Members received the paper prepared by the Director of Marketing, Recruitment & Communications which was a regular update to the Committee, showing the current state of affairs in recruitment. The Committee welcomed JB to the meeting and thanked him for a very comprehensive and encouraging report.

JB NOTED:

- Generally there were more firm accepts than this time last year in the cycle and we were past the decline by default deadline.
- We had exceeded the forecast already and more were still applying.
- On average most universities were 25% down but hopefully we could exceed last year's numbers.
- We have reduced the number of interview days offered, making offers quicker and before other institutions.
- The paperless interview process gave us more information.

- There had been an increase in attendance at Open Days, more attended from the Nottingham area which is now within our targeted recruitment radius. Typically, 50% of those that attend Open Days went on to apply.
- We were relying on a positive clearing and it was anticipated that we would do better this year. UCAS had reported that it would be the most competitive clearing to date.

8. Finance

- (i) To consider the financial forecasts and the 2018-19 Budget for submission to Council for its approval

The Director of Finance presented the financial forecasts and 2018-19 Budget. The following points were HIGHLIGHTED:

- The £300k surplus in the January forecast had been increased to a £780k surplus due to an under spend on staffing.
- The Skills Funding Agency contracts had been received.
- For 2018-19 and beyond the paper set out main assumptions. Having begun the planning process with a significant deficit it had been decided to baseline non-pay expenditure at 2016-17 actual levels. This resulted in a £1.1m reduction in non-pay costs.
- There was a reduction in funding received from the OfS and it is anticipated this will continue to reduce. Therefore a 20% year on year reduction has been assumed.
- No inflationary increases in student fees had been assumed.
- No income from overseas students had been included.
- A 2% staff pay increase was included for this year and 2.5% for following years.
- A staff/student ratio of 21-1 was assumed.
- It had been recommended that the University invested in a Health & Safety Officer.
- It had been assumed that phase one of the Riseholme Road development would be paid for by reserves and an assumed borrowing of £14m for funding the remaining student accommodation at an interest rate of 4%. The cost of the teaching facility was not factored in to the plan as neither were the associated student numbers.
- The Library project and student records system had been included.

- There were no other significant changes to report on the balance sheet. Given the investment made in recent years and the current sector information available it was felt that a break-even position represented a reasonable position at this time.
- It was NOTED that the aim was for 90-100 liquidity days.
- The Committee NOTED that it was very high on the University's radar to look after mental health. It was REPORTED that there was a health and wellbeing lead looking at staff and students mental health as a combined approach.
- There was money required for the future running of LORIC and the letting of office space within the building was being explored to assist with this.

The Committee RECOMMENDED the Budget to University Council at its next meeting on 3 July 2018 with an agreement in principle for a full sign off, including recruitment figures, in September.

**University
Council**

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

The Chief Operating Officer provided an update on the subsidiary company's financial position for the year to date and associated operational activities. It was REPORTED that the financial performance was on track, it had been a good year and activities were improving. The unevenness of its cash flows was HIGHLIGHTED, noting that the University provided a short-term loan. The need to eliminate this borrowing cycle was recognised and will be discussed with both the Ltd Co Board and FE&GP in future. The Committee NOTED that it looked to be in a healthy position.

- (iii) To receive an update on pensions

The Chief Operating Officer provided an update on the USS pension provision. It was NOTED there had been a number of strikes across the university sector involving the USS pension scheme members. A panel has been convened to review the assumptions used in the valuation and consider alternative benefit proposals. Without agreement the trustees would use scheme rules and pensions costs would increase as follows, 18-25% employers and 8-11.5% employees. The Joint Expert Panel reviewing the USS provision met the previous week and had asked to meet with the trustees. The COO will keep members up to date with any further significant information.

The LGPS had questioned how we relate to the 1992 Act in order to remain a scheduled body within the LGPS. SD would address this and send appropriate documentation to demonstrate why BGU should be able to continue offering LGPS upon incorporation.

SD

It was NOTED that the sector body UCEA had offered a final pay increase of 2%. Unions were out for discussion/consultation with a view to rejecting the offer. If strike action was to go ahead it would most likely be during the Autumn term.

There would be a one off joint pensions review meeting with an audit committee member to discuss the assumptions being used by LGPS for the University's own valuation process. Jackie Croft AGREED to represent the FE&GP Committee. The Committee thanked SD for his update.

9. Employment

(i) To receive the Workforce Report

The Director of People & Organisational Development presented the key performance indicators with regards to the health of the institution in relation to its staff profile, turnover, sickness absence and cost as a percentage of income. The following was NOTED:

- UZ was looking at exit interviews and trends.
- From an academic point of view the number of people who left the institution was a steady number.
- There was an element of ensuring that staff were ok when it came to staff sickness, getting them back to work efficiently. It was important that any issues staff had were supported by the institution, using the staff counselling services and Chaplaincy. The new Health and Wellbeing role would be driving this with support from the People and Organisational Development Department. UZ would breakdown how much of staff sickness was due to mental health.
- There had been a relaunch of the People and Inclusion Committee, formerly the Diversity & Equality Committee and UZ was looking to drive the agenda quite rapidly.
- There were currently around 12 apprenticeships.

UZ

The Chair thanked UZ for his clear report NOTING that it was useful for the Committee to be kept up to date.

(ii) To receive and discuss the proposed Code of Conduct

UZ presented the proposed Code of Conduct which outlined the standard of behaviour expected of all BGU representatives. He NOTED that once agreed it would be launched.

It was AGREED that UZ would take one more look at the paper and would include an introductory paragraph outlining the ethos of the institution and

NOTING that the University promoted a caring, safe, encouraging and supportive environment. A paragraph would also be added at the end, advising people to speak to the People and Organisational Development if there was any clarity required. An amended version would be circulated to members outside the meeting with the aim of it going to University Council at its next meeting in July.

**UZ/
FE&GP/
Council**

10. Estates

- (i) To receive a building works update

The Chair formally welcomed Suzanne Kane, Director of Estates & Facilities to her first FE&GP Committee meeting. SK presented the building works update paper which monitored expenditure and commitment on capital estates projects and provided general estates information. The following points were HIGHLIGHTED:

- The completion date for LORIC was 6 July 2018. A meeting was due to take place the following day. It was REPORTED that the project was on time and on budget.
- Maintenance and improvements to create a better working environments for staff were NOTED.

- (ii) To receive an update on the land deal at Riseholme Road

The COO provided a verbal update to the Committee on the land deal at Riseholme Road. It was NOTED that we were not contractually signed up yet and a presentation around the design was to take place on 19 June. As soon as the contract was exchanged the planning process was anticipated to start. The plans would then become public knowledge. Members AGREED that it was important for the Committee to be part of the discussion and some discussion around managing the planning application process would be added to the agenda for the design meeting.

**Governance
Office/
Next
meeting**

11. To note the Students' Union draft budget 2018/19

The SU Chief Executive Officer and SU President attended to present the SU draft budget 2018/19. It was NOTED that the actuals were incorrect and an amended version was circulated. It was a deficit budget, however the Trustees were happy with the situation the Students' Union were in. The introduction of the post to support the Vice President was NOTED.

It was NOTED that the SU did sell merchandise, however, as a recruitment tool Marketing were giving hoodies away, therefore affecting their sales. The SU were limited on how they could generate their own income and it was something that was being discussed at Trustee level. A good response rate to the impact survey conducted this year was NOTED.

The Chair NOTED the revised budget and thanked the SU Chief Executive Officer and SU President for their work.

12. Agenda suggestions for future meetings

In addition to those items usually covered the following items would be on the next agenda:

- Marketing – Stephen Lawrence
- How to measure performance and linking to the appraisal process – Umar Zamman

**Governance
Office/
Next
meeting**

13. Agenda management & review

Members were invited to comment on the effectiveness and the success or otherwise of the meeting, noting any issues for the future. It was NOTED that the discussion via Skype was not ideal, however the Chairing and meeting management was immaculate.

14. Any other business

There was no other business to discuss.

15. Key items for University Council

- The discussion that took place around the senior reward proposal;
- To recommend the budget;
- The Code of Conduct.

**Governance
Office/
Chair**

It was NOTED that it was the last meeting for Dr Kevin Brown. The Committee thanked him for all he had contributed, noting that he had been a valuable member of the Committee.

16. Date of next meeting

The next meeting of the FE&GP Committee would take place on Wednesday 7 November 2018 at 11:00 am, followed by the annual joint FE&GP/Audit Committee lunch at 1:00 pm.

Signed



Date



