

MINUTES of the Finance, Staffing & Resources Committee held on 03 November 2017 meeting held in Room G06, Old Broadcasting House, City Campus commencing at 09:30.

Present:

Jean Dent (Chair)
Kirsty Bashforth
Ann Bishop

Les Everett
Professor Nikki Latham
Megan Robinson

Professor Peter Slee
Jenny Ryatt

In attendance:

Rachel Bradford (Secretary)
Phil Harrison
Julie Maughan

Jenny Share
Professor Paul Smith
Caroline Thomas

Chris Watts (item B1)

Apologies:

Andy Brown

David Lowen

Terms of reference and membership

- 001.2017.FSR
- (a) A report was received from the Secretary presenting the Committee's terms of reference and membership (paper reference FSR-2017-001).
 - (b) It was noted that there had been changes to the Committee's composition since it last met on 30 June 2017. Professor Nikki Latham and Jenny Ryatt were welcomed as new members and Jean Dent was welcomed as the new Chair. Shakheel Meer stood down as co-opted governor in June 2017 and the vacancy for staff governor which would now be filled as the Board of Governors had its full complement of staff governors.
 - (c) The Chair pointed out that subsequent to the report's publication there had been a further membership change. Les Everett had agreed to sit on the Committee in place of Steven Webb, who would now sit on the Audit Committee. Les was welcomed back to the Committee.
- 002.2017.FSR
- The Committee's terms of reference were noted and agreed. The Secretary explained that a review was conducted annually to ensure that the terms of reference remained appropriate and that the Committee was conducting its business in line with them.

Declarations of interest

003.2017.FSR Meg Robinson (President of the Students' Union) declared an interest in item B4, 'Students Union – Review of Funding'.

Minutes

004.2017.FSR The Committee **AGREED** that the minutes of its meeting held on 30 June 2017 were an accurate record (paper reference FSR-2017-002).

Matters arising

005.2017.FSR The Secretary presented a report on matters arising from the minutes of the previous meeting of the Committee held on 30 June 2017 (paper reference FSR-2017-003). It was **noted** that all matters were complete.

Student Recruitment Update 2017/18

At this point Chris Watts, Director of University Recruitment, joined the meeting to present item B1, 'Enrolment Update October 2017' (paper reference FSR-2017-004).

006.2017.FSR The Director of University Recruitment advised the Committee that the figures presented in the paper were as at 16 October 2017. Student enrolment continued throughout the academic year so the numbers would increase.

The remainder of the minute is exempt from publication under the provisions of the Freedom of Information Act 2000.

The Committee thanked Chris for his presentation. Chris Watts then left the meeting.

Financial Update

012.2017.FSR The Committee received a report from the Director of Finance setting out the University's latest financial performance (paper reference FSR-2017-005). It was reported that, due to a lower intake of students, the University had forecast a net reduction of £4.5m, using current enrolment figures. In terms of sector performance, it was noted that the University's total income was equivalent to the sector mean. By adjusting expenditure plans, the University was still expected to achieve its targeted surplus of equivalent to 5.6% of total income.

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015.2017.FSR

The Committee **AGREED** that:

- (a) a paper should be brought to a future meeting providing an overview of the University's residential property portfolio; and
- (b) feedback should be sought from Deans at the end of the academic year on the budgeting process under the new model and its impact by School. The feedback should be reported to the Committee.

Capital Expenditure Update

016.2017.FSR

The Committee received a report from the Director of Finance comparing the latest capital expenditure scenario for the next 5 years with that reported to the Board in July 2017.

The remainder of the minute is exempt from publication under the provisions of the Freedom of Information Act 2000.

Students' Union – Review of Funding

018.2017.FSR

- (a) The Committee received a report from the Vice Chancellor providing an analysis of recommendations from the review of the Students' Union. (paper reference FSR-2017-007).
- (b) It was **reported** that neither the Vice Chancellor nor the President of the Students' Union had found last year's exercise of attempting to evaluate the operational parameters of the Students' Union helpful. The approach of comparing the University's Students' Union to that of other ones in the sector had been flawed as other Unions and their providers ranged vastly in scope, size, operations and resources.
- (c) It was recognised that the Students' Union was an independent organisation, separate from the University and therefore the University did not want the Union to be carrying out services for it as that could compromise its independence.

019.2017.FSR

The Committee **agreed** that it was supportive of the Executive's intention of increasing the funding for the Students' Union within the parameters permissible by the University's budget. The University would review whether any additional funding for the Students' Union was available for release at Christmas.

At the Chair's suggestion, the Committee agreed that agenda items could be taken out of order so that the Capital Programme Update (Item E1), Creative Arts Building (Item C1) and Carnegie Teaching and Research Building (Item E2) could be considered together.

Capital Programme Update –Delivery of Projects

- 020.2017.FSR The Committee received a report from the Deputy Vice Chancellor (Resources) providing the Committee with an update on the Estates Capital Programme Implementation (paper reference FSR-2017-016). It was **reported** that the Masterplan had been reviewed with colleagues in order to scope out requirements and make adjustments to the Masterplan where necessary.
- 021.2017.FSR The Deputy Vice Chancellor (Resources) advised that over the last six months, 26 members of staff had been recruited to the Estates Team. A candidate had been identified to act as Interim Director of Estates from 13 November 2017. Interviews for the permanent position would be held on 27 November 2017 and the Deputy Vice Chancellor (Resources) reported that the candidate pool looked promising. The Director of Human Resources added that the recruitment market Director of Estates positions was particularly tough. Other Universities were recruiting to fill the same position which added to the challenge.

Creative Arts Building – Development Agreement and Business Case

- 022.2017.FSR (a) The Committee received a report from the Deputy Vice Chancellor (Resources) providing the Development Agreement and consolidated business case for the construction of the Creative Arts Building (paper reference FSR-2017-008).
- (b) An additional paper had also been circulated to Committee members at the start of the meeting which summarised key points in the Development Agreement.

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- 024.2017.FSR The Committee **agreed** that, subject to an amended Business Case being presented, it **recommended** the Business Case and Development Agreement to the Board of Governors for **approval**.

Carnegie Teaching and Resource Building – Business Case and Enabling Works

- 025.2017.FSR The Committee received a report from the Deputy Vice Chancellor (Resources) providing the consolidated business case for the development of the Carnegie Teaching and Resources Building (paper reference FSR-2017-017).
- 026.2017.FSR In addition to approving the business case, the Committee was asked to approve a project to replace the Design and Technology Building with a new Modular Building. It was noted that the Programme Board had previously approved this project but the costs had subsequently exceeded the limit which the Programme Board had authority to approve.

027.2017.FSR

Following discussion, the Committee agreed that, subject to a revised Business Case being presented, it:

- (a) **recommended** the Business Case for the Carnegie Teaching and Research Building to the Board of Governors for final **approval**; and
- (b) **recommended** the project to replace the Design and Technology Block with a new Modular Building to the Board of Governors for **approval**.

The Committee agreed to take agenda items out of order so that Committee members who had to leave prior the end of the meeting would be present for items of business requiring decision.

Staff Disciplinary Procedures

028.2017.FSR The Committee received a report from the Director of Human Resources setting out proposed revisions to the Staff Disciplinary Procedure and the Staff Appeals Procedure (paper reference FSR-2017-013).

029.2017.FSR It was **noted** that the changes proposed would simplify the existing procedures and clarify that responsibility for management of staff sits with the Executive.

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032.2017.FSR

Following discussion, the Committee **agreed** that the changes proposed were sensible ones which they were supportive of and happy to agree in principle. The Committee **noted** that any changes to the procedures would be subject to the outcomes of a consultation process with the University's recognised Trade Unions and that final documents would come back to the Committee following the consultation.

Policy on Pension Scheme Membership Opt outs for Senior Staff

033.2017.FSR The Committee received a report from the Director of Human Resources providing a proposed revision to the policy on pension scheme membership opt-outs for Senior Staff (paper reference FSR-2017-014).

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038.2017.FSR

The Committee **approved** the revised policy.

Draft Financial Statements for the year ended 31 July 2017

- 039.2017.FSR The Committee received a report from the Director of Finance providing the draft Financial Statements for the year ended 31 July 2017 (paper reference FSR-2017-010). It was **reported** that the auditors currently expected to be in a position to provide an unmodified opinion on the financial statements.
- 040.2017.FSR It was **noted** that operational surplus and cash inflows from operations were £2.4m more than the forecast in June. Together with a capital expenditure underspend this had led to higher cash and investment balances at the financial year-end.
- 041.2017.FSR The Committee **recommended** that the Board of Governors receive and approve the draft financial statements presented to the meeting, subject to any final audit adjustments.

Annual Sustainability Assurance Report

- 042.2017.FSR The Committee received a report from the Director of Finance which set out the background and context of the requirement for HEIs to submit an Annual Sustainability Assurance Report (ASSUR) to HEFCE (paper reference FSR-2017-009). The Director of Finance explained the methodology behind the calculation of the figures reported, advised that this methodology had been applied for previous years' returns. It was recommended that the same approach be adopted for this year's return.
- 043.2017.FSR The Committee **endorsed** the proposed ASSUR for 2016/17 in the form presented to the meeting and recommended it to the Board of Governors for approval.

At this point Jenny Ryatt, Professor Nikki Latham and Kirsty Bashforth left the meeting. The time was 12:30.

Health & Safety Update

- 044.2017.FSR The Committee received a report from the Director of Human Resources providing an update on current key Health & Safety matters across the University (paper reference FSR-2017-015).

The remainder of the minute is exempt from publication in accordance with the provisions of the Freedom of Information Act.

Insurance Arrangements 2017/18

- 049.2017.FSR The Committee received a report from the Director of Finance outlining the insurance arrangements that had been put in place for 2017/18 (paper reference FSR-2017-018). The contents of the paper were noted.
- 050.2017.FSR The Director of Finance reported that the overall premiums had increased by just 0.27% since last year which was less than inflation, and confirmed that he believed good insurance arrangements were in place. The Committee considered and **approved** the insurance arrangements in place for 2017/18.

At this point Les Everett left the meeting. The time was 12:45.

Human Resources Update

- 051.2017.FSR The Committee received a report from the Director of Human Resources which provided an update on the key activities within HR and the implementation of the University People Strategy (paper reference FSR-2017-011). The contents of the paper were noted.
- 052.2017.FSR The Director of Human Resources **reported** that the HR Team had been supporting the Deans in their roles under the new School structure. It was **noted** that an update on Recruitment and induction and development would be provided to the Committee at its next meeting in February 2018.

Staff Survey 2017

- 053.2017.FSR The Committee received the University-level report for the staff survey 2017 (paper reference FSR-2017-012). The Director of Human Resources **reported** that the survey results showed that staff satisfaction levels had dropped overall. The decline had not been unexpected as it was recognised that the University had gone through a significant period of change with had affected a large number of staff and had created a period of uncertainty.
- 054.2017.FSR The HR Team were now working with the Deans of Schools and Directors of Service to discuss the survey outcomes and support meaningful discussions with their staff about them.
- 055.2017.FSR It was **noted** that a survey would be undertaken annually in order to track progress, as the answers to the survey questions informed KPIs.

Letting of Contracts

056.2017.FSR The Committee received a report from the Director of Finance providing an update on decisions made by the Tender Panel (paper reference FSR-2017-019). The contents of the report were noted.

Schedule of meetings and business for 2017/18

057.2017.FSR The Committee received its schedule of meetings and business for 2016/17 (paper reference FSR-2017-020). The schedule was noted and agreed.

Date of next meeting

058.2017.FSR The next meeting of the Finance, Staffing & Resources Committee would be held at 12:30 on 02 February 2018 in room G07, Old Broadcasting House, City Campus.

Other business

059.2017.FSR **Meeting length and format:** It was noted that the Committee typically had a very full agenda and it could struggle to give consideration to all of the business during the time allocated. The Chair suggested that an informal session of 1 hour be held prior to the Committee meetings at which matters such as budget tracking, capital expenditure updates and Estates developments. The Chair and Secretary of the Committee agreed to liaise regarding the organisation of informal sessions and the length of time scheduled for the meetings.

Confirmed by the Committee/Board as a correct record and signed by the Chair:

Signed: _____ Date: _____