

BOARD OF GOVERNORS
RESOURCES COMMITTEE

Minutes of the meeting held on 19 February 2018

Present

Graeme Collinge	Independent member	Committee Chair
Lesley Munro	Clerk to the Board	
Martin Ainscough	Independent member	
Julian Bucknall	Independent member	
John Cater	Vice-Chancellor	
Clive Edwards	Independent member	Chair of the Board

Officers in attendance

Sonya Clarkson	Director of Human Resources
Carl Gibson	Director of Finance
Steve Igoe	Deputy Vice-Chancellor
Alison Mackenzie	Dean of Learning Services

Observers

Paul Malone	Students' Union General Manager
Ben Whittle	Student's Union President

Apologies

Rob Green	Independent member (sabbatical)
David Oldham	Director of Capital Projects
Tony Rankin	Independent member

Absent

Denise Walker	Independent member
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The Chair welcomed the new Director of Human Resources, Sonya Clarkson, to her first meeting of the Committee.

RE.17.027 Declarations of Interest

There were no Declarations of Interest.

RE.17.028 Chair's Announcements

There were no announcements.

RE.17.029 Chair's Action

There was no Chair's Action to report.

RE.17.030 Minutes of the previous meeting

Received: Document RE/020/17

The minutes of the meeting held on 16 October 2017 were agreed and signed by the Chair as a correct record.

The Chair summarised the main discussion points and it was noted that:

.01 Treasury Management (RE.17.008)

No action had been taken at this stage in relation to increasing the maximum holdings with individual institutions as the University was not looking to take further investments at this point in the year.

.02 HR Annual Report (RE.17.009)

Future reports needed to include a wider and more benchmarked analysis of data.

.03 2017 Financial Statements (RE.17.010)

The Board had approved the 2017 Financial Statements, recording a surplus of £20.254 million.

.04 Capital Projects: Library Tender Review (RE.17.016)

An update on the Estates Strategy had been included on the agenda.

.05 Capital Projects Bid: Residential Phase 13 (RE.17.017)

The Board had approved a £6 million budget for this work.

.06 Investment Proposal: Wrightington, Wigan and Leigh NHS Foundation Trust (RE.17.017)

Discussions on the joint Centre were ongoing but there was nothing further to report formally at this stage. The Deputy Vice-Chancellor indicated that he was hoping for final sign-off to the agreement in June this year with building completion and a first intake of students in 2019. It was noted that the proposal represented excellent value for money and that the potential for the MMed programme was substantial. The Trust had also agreed additional student placements.

RE.17.031 Action Log

Received: Document RE/021/17

The Action Log for the year was received noting all items as complete or in progress as identified above. The Deputy Vice-Chancellor indicated that UCU approval of the Trades Union Recognition Agreement had been received.

RE.17.032 Matters Arising

There were no other matters arising.

SECTION A ITEMS

RE.17.033 Treasury Management Update

Received: Document RE/022/17

The Director of Finance introduced the report for the quarter ending 31 October 2017 noting increased cash balances at £50.93 million with investments at £20 million held on one year fixes and the balance predominantly held in a Barclays sweep account for which rates had reduced to 0.1% with effect from September 2017. He highlighted the increase in the quarter's weighted average return which was largely due to the 1.6% rate offered by Close Brothers. In terms of maintaining sufficient liquidity however, he noted that the fluctuations in cash

balances caused by the SLC payment profile and the rate of spend necessary to cover the major capital development programme over the next six months did not support taking further investments at this stage. In this regard, it was further noted that the £4 million Santander investment would be returned to the current account on maturity at the end of January.

In response to a member's question about the differences in the figures relating to the budgeted cash flow between the Management Accounts and the appendices to the Treasury Management paper, it was noted that this was attributable to the different preparation dates against a fluctuating position.

The Treasury Management Update was received.

RE.17.034 Students' Union Audited Accounts

Received: Document RE/023/17

The Students' Union General Manager introduced the audited accounts drawing attention to the annual report and the work completed on reshaping academic engagement in response to NSS feedback. He also highlighted the development of participation in the democratic process and the continuing success of the Union's Advice facility which had handled over 6,000 client contacts over the year. External research undertaken during the year had identified areas where student expectations could be better met and this had informed development of the Union's new Strategic Plan. In response to a member's question, it was noted that the research had been undertaken professionally across the whole student demographic and supported an increased emphasis on academic and financial support services. **It was agreed that copies of the Strategic Plan should be circulated to members for information.**

Action: Students' Union General Manager/Clerk

In relation to the financial performance of the Union however, the General Manager reported a fall in income and a rise in expenditure which had led to a significant deficit in the accounts. This was largely attributable to an over-ambitious expansion plan and a poor return from some commercial activities – matters which were being addressed for the current year. In particular, action had been taken to reduce and restructure the staffing establishment with an aim to provide a smaller but more cohesive and higher quality service.

Whilst recognising the autonomy of the Students' Union and the valuable contribution made to the student experience, members expressed concern at the size of the deficit and the potential impact on future viability. In discussion, the following points were noted:

01. Operation of the bar presented a particular challenge given the changing nature of student behaviour with increased social activity taking place in the communal areas of halls of residence, partly fuelled by the availability of cut price supermarket food and drink offers. It was noted that a new team was now in place with a more targeted approach to opening hours linked to attractive and popular events but that this remained an area for substantial redevelopment to better meet student expectations and would be closely monitored;
02. The new Subway franchise and the clothing outlet were performing well as were discrete operations such as the launderette. It was suggested that the development of further franchise opportunities could provide a profitable route for the future development of commercial activity;
03. There had been no further expenditure on consultancy;
04. The Union was able to access appropriate support and advice from the University.

In concluding discussion, members noted that final responsibility for these matters lay with the Union's Trustees but that the Board retained a responsibility for ensuring that the Students' Union operated in a financially sustainable manner. The General Manager confirmed that the current financial position was much healthier.

The Students' Union audited accounts for 2016/17 were received.

SECTION B ITEMS

RE.17.035 Learning Services Annual Report

Received: Document RE/024/17

The Dean of Learning Services introduced her report which focused on the preparations for the relocation of the Service to the new Catalyst

building which was currently under construction. She highlighted the complexity of the move with over 230 staff involved noting that this also incorporated Student Services and Careers with the objective of providing a single point of contact service for students across the three areas. In order to ensure a smooth transition, the following nine headline areas had been identified with associated work packages to assist in planning, tracking and monitoring progress:

- Governance and project management
- Space planning and layout
- Development of a new front-line service
- Systems to support service delivery
- Systems to support building use
- Development of new IT services
- Cultural change
- Communication and marketing
- Preparation for the physical move

In outlining progress to date, the Dean of Learning Services drew attention to the following points:

01. The value of a dedicated project manager for a development of this size and complexity;
02. The importance of involving all staff through a workshop approach to input to the design of new working practices and identifying the resulting impact on the use of physical space. This approach was also helpful in gaining staff commitment and generating enthusiasm for the project;
03. The merits of external professional input around ergonomics to assist with furniture choice and layout in what would be the most heavily used area of the University. A number of events had been organised around this with staff and student involvement;
04. The benefit (and challenge) of working together with colleagues from the three areas in shared learning and promoting a new culture. Considerable effort was being directed at ensuring the establishment of a dedicated, knowledgeable front-line team able to deal with enquiries from all three areas.

In response to members' questions, it was noted that:

05. The move was planned to take place during the summer of 2018 when it would cause least disruption;
06. The Catalyst building would operate on a 24/7 basis, including the new enquiry service. It was not anticipated that there would be specific staff savings and this had not been a primary objective for the project. Given the anticipated increase in student traffic, a small number of additional posts might be required for September 2018;
07. The Library IT system would remain unchanged and it had been agreed that the current 'Career Hub' system offered the best platform for the new enquiry service and would be developed to support this;
08. There would be no overlap between the advice services offered by the University and the Students' Union;
09. It was anticipated that the improvements offered to students through the new facilities would impact positively on NSS scores.

Members welcomed the report from the Dean of Learning Services noting the progress to date on a well-articulated project. **It was agreed that it would be useful for the committee to tour the building at an appropriate stage prior to commissioning.**

Action: Clerk

RE.17.036 December Management Accounts including early mid-year forecast

Received: Document RE/025/17

The Director of Finance spoke to the accounts and the following points were noted:

01. Budgeted surplus had increased marginally to £16.717 million although the importance of this as an indicator of financial health was now less important than the cash flow position which was robust;

02. Whilst still early days, overall performance to date was largely in line with the budget;
03. Tuition fee income was ahead of budget and driving the increase in income;
04. Staff costs were close to the budgeted position with limited gap savings highlighting a reduction in staff turnover rates;
05. Bursary spend was down reflecting the reduced numbers of eligible students following a retargeting of resources towards on-course support as noted in the Access Agreement;
06. There was a significant increase in Facilities Management expenditure which was largely due to increases in repairs and maintenance, minor works and consultancy fees associated with the new Computer Assisted Facilities Management (CAFM) system.

Concluding, it was noted that these figures related to the period up to 31 December 2017 and were therefore already historic.

The December Management Accounts and early mid-year forecast were received.

RE.17.037 Capital Projects Update

Received: Document RE/026/17

The Deputy Vice-Chancellor introduced the update noting that work on the Catalyst building was four to five weeks behind schedule but this was being closely monitored and there was confidence that the date for transferring staff would be met. The work was expected to complete within budget. As reflected in the report from the Dean of Learning Services, he drew attention to the value provided by Nomad RDC Design and Innovation Consultants who had been appointed for the interior design of the building following a robust tender process. The importance of the associated Public Realm external works was noted and this was expected to complete on budget.

The report on Phase 13 Residences confirmed that, whilst in the early stages, this project was anticipated to complete on time and within budget.

In relation to the budget update, appreciation of the provision of detailed figures was recorded.

The Capital Projects Update was received.

RE.17.038 Estates Strategy: Outline of remaining developments and likely budget requirements to complete the current phase.

Received: Document RE/027/17

The Deputy Vice-Chancellor spoke to the mid-term review of the Estates Strategy, drawing attention to the following points:

01. The investment decisions taken by the Board in recent years had supported extensive work to deliver the majority of the approved Estates Strategy resulting in an improved and appreciated offer to students which was critical to the University's continued success. This allowed for a period of lower spend over the next few years without compromising the quality of the facilities provided;
02. The development of the estate had taken place on the basis of a set of principles which would continue to underpin long term strategy ensuring that the campus remained in sympathy with its environment both in built and landscape form;
03. Estate and performance statistics showed that the University had significantly increased the value of the estate with considerable improvement in building condition and functional suitability which compared well with the sector. **Members asked for more comparative data to be provided in future reports;**

Action: Deputy Vice-Chancellor

04. The University was investing in a new CAFM system to drive the ongoing maintenance schedule to ensure the quality of the campus was maintained;
05. In financial terms, the University would be looking to use the period from 18/19 to 21/22 to consolidate the current position through reconfiguration works on those buildings vacated when the Catalyst building is commissioned and completion of a series of minor works programmes. Taking account of budget projections for this period, the associated spend was

comparatively small with individual projects subject to separate approval by the Board in the light of prevailing circumstances;

06. Looking beyond 2022, opportunities to build new facilities would be limited by campus boundaries and restricted to the redevelopment of existing outdated areas such as the Central Core (Back Halls, old gym, swimming pool and existing Students' Union provision) and the Forest Court residential block. Further expansion beyond this would be dependent on land purchase and planning.

In the ensuing discussion, members queried the lack of reference to the development of Students' Union facilities and it was noted that this would be considered but required the articulation of a concept and strategy to meet future needs. As discussed earlier in the meeting, this needed to accommodate changing student behaviour and was perhaps unlikely to be best met through the provision of a single large building. The General Manager indicated that he could envisage a future strategy scenario for the Student Union where it is responsible for the management of a number of facilities from within different buildings across the Campus. **It was agreed that it was the responsibility of the Students' Union to bring forward ideas on how its services and offer might develop in the future.**

Action: Students' Union

Responding to a member's question about long term car-parking arrangements, it was noted that local council approval of temporary facilities for use on a limited number of days had alleviated the position although there were still some occasions where it was not possible to accommodate all vehicles on campus. The reduction in PGCE numbers was expected to offer further mitigation in future years.

In relation to a query on the space efficiency statistics, which were well ahead of sector norms, the Deputy Vice-Chancellor confirmed that whilst it was important to make best use of space, this should not be at the expense of the student experience which benefited from timetabled activity being located in Departmental 'home' buildings. This was an objective of the strategy.

Concluding discussion, members welcomed the update which provided reassurance in terms of the level of financial commitment required to complete the current phase of the strategy.

RE.17.039 Employment Issues

01. The Deputy Vice-Chancellor reported that the planned strike action by academic staff over pension provision was targeted towards Universities with a majority of staff enrolled in the Universities Superannuation Scheme (USS) and would not affect Edge Hill.

02. It was reported that there was one outstanding Employment Tribunal case which the University was defending. Any costs would be covered by insurance.

The report on Employment Issues was received.

RE.17.040 Any Other Business

There was no other business.

SECTION C ITEMS

RE.17.041 Date and Time of next Meeting

The next meeting is scheduled for 18 June 2018.

RE.17.042 Minutes of the Teaching Staff Consultative and Negotiating Committee dated 31 October 2017

Received: Document RE/028/17

The minutes were received.

RE.17.043 Minutes of the Support Staff Consultative and Negotiation Committee dated 27 October 2017

Received: Document RE/029/17

The minutes were received.