

BOARD OF GOVERNORS
RESOURCES COMMITTEE

Minutes of the meeting held on 23 February 2015

Present

David Owen	Independent member	Committee Chair & Deputy Chair of the Board
Lesley Munro	Clerk to the Board	
Martin Ainscough	Independent member	
Richard Benjamin	Independent member	
John Cater	Vice-Chancellor	Ex-officio
Rob Green	Independent member	
Bernard Laverty	Independent member	Chair of the Board

Officers in attendance

Carl Gibson	Director of Finance
Bill Hancox	Director of Facilities Management
Steve Igoe	Deputy Vice-Chancellor
Alison Mackenzie	Dean of Learning Services (for item 12)
David Oldham	Director of Capital Projects

Observers

Evelyn Carnegie	Head of Department of Sport & Physical Activity
Paul Malone	Students' Union General Manager
George Talbot	Pro Vice-Chancellor (Research) & Dean of Arts & Sciences
Fay Vaudrey	Head of Resources, Students' Union

Apologies

Denise Walker	Independent member
Kayley Wilson	Students' Union President

The Chair welcomed Fay, Evelyn Carnegie and George Talbot to their first meeting of the Committee.

RE.14.024 Declarations of Interest

There were no declarations of interest specific to the meeting.

RE.14.025 Chair's Announcements

There were no announcements.

RE.14.026 Chair's Action

There was no Chair's Action to report.

RE.14.027 Minutes of the previous meeting

Received: Document RE/017/14

The minutes of the meeting held on 20 October 2014 were agreed and signed by the Chair as a correct record.

RE.14.028 Action Log

Received: Document RE/018/14

Noting all actions as complete, the Action Log was received.

RE.14.029 Matters Arising

There were no other matters arising.

SECTION A ITEMS

RE.14.030 University Library Annual Report 2013/14

Received: Document RE/023/14 (Section B item taken early)

The Dean of Learning Services introduced the report noting that, whilst Learning Services encompassed a range of products and services, this report concentrated on the operation of the Library itself as the aspect of service most used by students and noted by 60% as their favourite place to study. A number of developments had taken place since the publication of the report including a successful one week pilot of 24/7

opening which had revealed a latent demand for access to facilities between midnight and 06.00. Although there were some infrastructure challenges associated with 24/7 opening, a further four week period would be offered in March to meet student needs. It was also noted that support for out-of-hours on-line chat facilities had been purchased from an Ohio based Library consortium which provided an effective, value-for-money solution.

In terms of future developments, the Dean of Learning Services highlighted the ongoing purchase and implementation of a new Library Management System. This represented an ambitious project requiring integration with other major business systems but would place the University at the cutting edge of service provision.

The potential impact of reductions to the Disabled Student Allowance in the provision of dyslexia services was highlighted.

In discussion, the following points were noted:

- Despite increasing use of electronic resources and services such as Blackboard (the University's virtual learning environment), the continued demand for books and for physical space for students to study in the Library was clearly evidenced and highly valued by students;
- The University was developing proposals to provide a permanent response to the demand for 24/7 access to Library facilities;
- The current physical Library complex met basic student needs but was falling behind facilities elsewhere especially in terms of the provision of more flexible space, accommodation for the University archive and support for research. Planned upgrades would only partially meet these needs.

In conclusion, it was noted that a new Library building was part of the agreed Estates Strategy but that this would need to be part of a larger discussion with the Board around timing, priority, location and the availability of resources. It was suggested that this could usefully be aired at the next open Board meeting in January 2016 in the light of confirmed recruitment figures and more political certainty.

Action: Clerk

Members thanked the Dean of Learning Services for her informative report.

RE.14.031 Treasury Management Update

Received: Document RE/019/14

The Director of Finance introduced the report which indicated a continuation of the low weighted average return from cash balances reflecting the Bank of England's base rates. He drew attention to the University's rising cash balances and it was noted that some small improvement could be obtained from investments if the University relaxed the current ratings requirements of A long and A1 short (S&P) or equivalent.

Whilst members acknowledged the vagaries of the ratings system, **it was agreed that the marginal impact of any change did not justify moving from the robust current position at this stage but that the University's approach should be kept under regular review.**

Information on a range of counterparties was requested for the next meeting in order to explore the potential of spreading risk more widely.

Action: Director of Finance

In response to a member's question, it was noted that dollar holdings related to deposits from US study abroad students.

Members received the Treasury Management report.

RE.14.032 HEFCE Grant Letter

Received: Document RE/020/14

The Vice-Chancellor introduced the 2015/16 Grant Letter to HEFCE which set out Government priorities and requirements in relation to the allocation of HE funding. HEFCE would use this to inform decisions on specific institutional funding. The letter confirmed the removal of the cap on student numbers whilst maintaining the maximum fee at £9,000. Noting that the Government allocation was based on the financial year up to the end of March 2016, and given the potential for change following the General Election, some variation to initial academic year institutional allocations was likely although it was noted that the shift from grant to tuition fee funding, coupled with reductions in the Student Opportunity Fund, the Disabled Students' Allowance and Hardship

Funds, meant that the allocations were of less significance to the University than in previous years.
Specific allocations to institutions would be issued by HEFCE towards the end of March.

The HEFCE Grant Letter 2015/16 was received.

RE.14.034 TRAC Report 2013/14

Received: Document RE/021/14

The Deputy Vice-Chancellor introduced the TRAC report which provided an end-of-year analysis based on full economic costings. The report was used by HEFCE for the compilation of sector-wide data on the costs of teaching and research and the use of public funds. In relation to the declared 105% recovery rate against publicly funded teaching, it was noted that the University had submitted a commentary indicating that this supported the University's capital investment programme and provided an essential buffer against reductions in other income streams. No issues had been raised by HEFCE.

The TRAC Report 2013/14 was received.

RE.14.035 Students' Union Audited Accounts

Received: Document RE/022/14

The Students' Union General Manager and the Head of Resources introduced the Accounts for 13/14 drawing attention to the significant increase in trading activity which was largely attributable to the bar and catering operations. The General Manager highlighted the achievements of the Union over the year including the success of the Advice Unit, the Green Excellence award, improved League Table ratings and a significantly increased election turnout. The success of the bar, recognised with 'Best Bar None' bronze award accreditation, was particularly gratifying given this was the first year of operation. It was noted that the Union was becoming a more complex organisation and this was reflected in the revised organisational structure with new posts to support student engagement and resource management.

In discussion, it was noted that:

- The merger of Students' Union and University Sport provided an integrated solution to meeting academic, student and community needs and there was a growing range of external partners;
- The Students' Union continued to support competitive sport although the vagaries of the national rankings system were noted;
- The rental charge to the Students' Union was a transactional in/out arrangement which did not incur additional costs to the Union;
- The University and the Students' Union could benefit from sharing use of the various purchasing consortia available to both organisations;
- The increasing staff base would bring significant additional costs in relation to pensions;
- The Students' Union could benefit financially from a more strategic approach to the sale of NUS cards to University staff.

In conclusion, members welcomed the presentation of the accounts and congratulated the Students' Union on a very successful year.

SECTION B ITEMS

RE.14.036 Early Mid-Year Reforecast (December Management Accounts)

Received: Document RE/024/14

The Deputy Vice-Chancellor introduced the mid-year reforecast which provided a well-informed indicator of the end-of-year position. It was noted that the tuition fee position had improved and was being very effectively managed whilst staff vacancy savings had impacted positively on expenditure. Health income figures were lower than expected but this was partly a profiling issue. Following discussions at the last meeting, a detailed analysis of the residences and catering budget had been undertaken to ensure the accounting position was fully articulated. Cash balances had increased to £30 million and the overall surplus was now predicted to rise by at least £1 million over the original budgeted sum.

In discussion, it was noted that the Faculty of Education was in the process of reassessing the financial incentives attaching to school

placement partners with a renewed emphasis on developing quality relationships.

Members welcomed the reassurance provided by the Early Mid-Year Reforecast.

RE.14.037 Facilities Management Annual Report (including Estates Management Statistics)

Received: Document RE/025/14

The Director of Facilities Management (FM) introduced his report which outlined the key achievements and development of the Service during 2013/14. As the largest Service in the University with many staff having first line contact with students, the importance of people and relationships was fundamental to success. The team had won a number of prestigious awards over the year helping to boost morale and validating the customer focussed approach which underpinned FM's Mission, Vision and Values.

The size and range of the Service presented one of the biggest challenges in ensuring all staff were engaged and had opportunities to develop their potential. This emphasised the need to develop new ways of communicating and supporting supervisors to deliver a first class student experience. It was noted that a number of new management appointments were in process which would further enhance capability.

Statistics provided through the Association of Directors of Estates (AUDE) demonstrated the significance of the national HE estate which was considerably larger than Tesco and not far short of NHS provision. Whilst there had been high levels of investment in new buildings, many universities were challenged with the functionality and maintenance of older properties. HEFCE returns confirmed the high quality of the Edge Hill campus and the value for money obtained through its operating costs.

The Vice-Chancellor recorded his thanks to the FM team for their continuing contribution to the success of the University.

Members received and welcomed the FM Annual Report.

RE.14.038 Equality and Diversity Policy

Received: Document RE/026/14

The Deputy Vice-Chancellor introduced the Equality and Diversity Policy which outlined the University's commitments and responsibilities in relation to staff. He confirmed that this had been considered through the various staff consultative negotiating committees.

In response to a member's question, it was noted that there were separate arrangements in place in relation to student matters.

The Equality and Diversity Policy was approved.

Action: Director of HR

RE.14.039 VAT Report

Received: Document RE/027/14

The Deputy Vice-Chancellor introduced the report which related to the VAT position as it applied to the operation of the new sports facilities through Edge Hill Enterprises (EHE) Ltd. Whilst some further negotiation with HMRC was likely this would still represent a significant saving.

The VAT report was received.

RE.14.040 Capital Projects Bid

Received: Document RE/028/14

The Director of Capital Projects presented a bid for £7.5 million to service a further 144 bed residential development (Phase 10) in line with the Estates Strategy. It was noted that the bid was low risk, supported by unmet student demand for residential places and providing an additional income stream. The development would impact on car parking provision but there would be time to put alternative strategies in place over the summer.

In discussion, it was recognised that Phase 11 would take more time to progress but the Deputy Vice-Chancellor identified an opportunity to

extend Chancellor's Court with an extra 24 bed spaces at a cost of £1.2 million and asked for this to be incorporated as part of the bid.

The Director of Capital Projects drew attention to the procurement process which had been undertaken for the main works contract with a recommendation to appoint John Turner Construction Group on the basis of the most competitive tender. It was noted that the University no longer regarded itself as a contracting authority for the purposes of EU public procurement following changes to HE funding and therefore was not subject to OJEU processes.

Following consideration, **the Committee agreed to recommend the Phase 10 and Phase 5A extension bid to the Board with a combined budget of £8.7 million including an additional £100k contingency fund.**

Action: Chair/Deputy Vice-Chancellor

RE.14.041 Capital Projects Update

Received: Document RE/029/14

The Director of Capital Projects introduced the report which identified good progress on the Sports Centre Development with John Turner Construction Group (JTTCG) recommended for the Fit-Out contract. It was further noted that S&J Charnley Ltd were recommended as the Enabling Works Contractor for the Phase 10 residential development. In relation to completed projects, it was reported that the previously notified VAT issue with JTTCG was expected to be resolved as part of the Sports Development Fit-Out works.

Following discussion, **the Committee agreed the recommendations and received the Capital Projects Update Report.**

Action: Director of Capital Projects

RE.14.042 Employment Issues (RESERVED ITEM)

The verbal report on Employment Issues was received.

RE.14.043 Any Other Business

There was no other business.

SECTION C ITEMS

RE.14.044 Minutes of the Teaching Staff Consultative and Negotiating Committee dated 22 October 2014

Received: Document RE/030/14

The minutes were received.

RE.14.045 Minutes of the Support Staff Consultative and Negotiating Committee dated 15 October 2014

Received: Document RE/031/14

The minutes were received.

RE.14.046 Minutes of the Staff Partnership Group dated 10 October 2014

Received: Document RE/032/14

The minutes were received.

RE.14.047 Minutes of the Health, Safety & Environment Committee dated 15 January 2015

Received Document RE/033/14

The minutes were received.

RE.14.048 Date and Time of next Meeting

The next meeting is scheduled for 22 June 2015.