

## HARPER ADAMS UNIVERSITY

### Board of Governors

#### Minutes of the Meeting of the Board of Governors held on 30 September 2016 in the Boardroom

Present:	Mr Mike Lewis	Chairman
	Mr Stephen Vickers	Vice-Chairman
	Dr David Llewellyn	Vice-Chancellor
	Mr Tim Burnhope	
	Mr Peter Cowdy	
	Dr John Donaldson	Staff Governor
	Miss Emma Folkes	
	Mr Richard Hambleton	
	Mr Fred Hammond	
	Mrs Lavinia Moroz-Hale	Staff Governor
	Professor Mark Ormerod	
	Dr Julia Pointon	
	Mrs Christine Snell	
	Mr Martin Thomas	
	Mr Campbell Tweed	
	Mr Dominic Wong	
Apologies:	Mr Colin Bailey	
	Dr Moira Harris	Staff Governor
	Mrs Heather Jenkins	
	Mr Peter Nixon	
	Mr Mark Roach	
In attendance:	Dr C Baxter	University Secretary & Clerk to the Board
	Mrs L Furey	Director of Finance
	Dr L Dodd	Staff Observer

#### Register of Interests

Members were reminded to complete or update their entry in the Register of Interests as necessary.

#### 16/01 Welcome

The Chairman welcomed Emma Folkes, Tim Burnhope and Fred Hammond to their first meeting. He also welcomed Lindsey Dodd as a staff observer.

#### 16/02 Congratulations

The Chairman congratulated the University upon the award of Modern University of the Year. All Board members offered their sincere congratulations to all members of the University on this excellent achievement.

#### 16/03 Elections of the Chairman and Vice Chairman

*Mr Lewis and Mr Vickers left the room for consideration of this item.*

Noted: that the University Secretary had, as usual, invited any member of the Board to express an interest in becoming Chairman or Vice Chairman in accordance with the annual process for determining the process for Chairman or Vice Chairman of the Board. The only expressions of interest that had been received were from Mr Mike Lewis (an expression of interest to continue as Chairman) and Mr Stephen Vickers (an expression of interest to continue as Vice Chairman).

Agreed: to invite Mr Lewis and Mr Vickers to continue in their roles as a Chairman and Vice Chairman of the Board respectively for the academic session 2016/17.

*Mr Lewis and Mr Vickers re-joined the meeting and agreed to resume the roles of Chairman and Vice Chairman respectively for the academic year 2016/17.*

#### 16/04 Minutes

Approved: the minutes of the meeting of the Board of Governors held on 7 July 2016 (15/66/15/85).

#### 16/05 Matters Arising

Received: a matters arising report from the University Secretary.

Noted: i) that the increased funding in the Student Subvention/annual grant had been discussed over the summer period with the Students' Union President. Mr Hammond was currently putting a formal plan in place which would be discussed with the Vice-Chancellor in due course; **FH**

ii) that the Director of Finance wished to present members at the meeting further information relating to bank covenants. Members noted the detailed update on negotiations in relation to Lloyds Bank loan covenants that had been proposed over the summer as agreed by the Board in July and, in particular, the impact that FRS102 would have on the renegotiations process and its outcomes.

Agreed: to approve that a loan facility in an original principal sum of up to £3.6 million be arranged with Lloyds Bank plc and that the offer of such a facility made by the bank in a letter drafted and emailed to the Director of Finance on 23 September 2016 be accepted and that the Director of Finance and Vice Chancellor be authorised to make the necessary arrangements with the Bank and to sign on behalf of the University the facility letter which was produced to the meeting and its terms and conditions approved.'

#### 16/06 Terms of Reference of the Board of Governors

Approved: the terms of reference for the Board of Governors as set out in the agenda for the academic year 2016/17.

#### 16/07 Vice-Chancellor's Report

Received: a report by the Vice-Chancellor on recent developments of note.

Noted: i) that undergraduate recruitment had remained positive during the summer period although closer to enrolment it had become apparent that an increased number of students who had initially accepted their place had later decided not to enrol and progress to take up their place at the University. Anecdotally, a number of students had indicated that they had received offers of alternative opportunities including apprenticeships. Further investigations were taking place with a view to ascertaining the reasons why an increased number of students had decided not to take up their place. Notwithstanding this, the University had still achieved an undergraduate intake that was close to its target in an increasingly competitive market;

ii) that, with regard to postgraduate taught student enrolments, numbers were up on 2015 and were closer to numbers achieved in 2014;

- iii) that the September open day was successful and further open days were planned for October and November 2016. To date, bookings for these open days were positive and were higher than at the same point in previous years;
- iii) that the HEFCE regional team had visited the University on 19 September. The visiting group had included a HEFCE member of staff who was focusing on widening participation. HEFCE was currently drawing together its ideas about how BREXIT might affect rural areas and some initial thoughts had been shared for its comments about a paper HEFCE representatives were drawing together. The University had welcomed the opportunity to provide advice and had been able to provide some upstate information which, it was hoped, would assist HEFCE in its thinking about this matter;
- iv) that the University continued to engage with sector bodies in relation to BREXIT. For example, the Vice-Chancellor had spoken to the NFU and other key bodies about the importance to think about how BREXIT would affect the next generation of graduates in the agri-food chain;
- v) that the Harper Adams in Ireland biannual dinner had taken place near Dublin in mid-September. The after dinner speaker had been Mr Tom Tynan of the EU Agricultural Commission. He would be visiting the University later in November. Mr Tynan would be playing a key role in the BREXIT trade discussions in relation to agricultural trade;
- vi) that Professor Brian Revell and Charles Cowap were continuing to draw together colleagues across the University who were interested in engaging with the BREXIT debate. The University had also hosted a seminar given by Andersons on this topic;
- vii) that the Learning and Teaching Conference, held in September, had been a useful event. Senior speakers from across the UK had attended. Such events were helpful in preparing the University for TEF 2 and ensure that it continued to enhance its learning and teaching practice;
- viii) that the graduation ceremony held in September 2016 had been successful. Particularly positive feedback had been received from honorary graduates and it was hoped, in particular, that Kathryn Boor, the Dean at Cornell would be able to arrange for her senior colleagues to visit the University in due course; Post meeting note - the VC has also been invited to visit Cornell.
- ix) that ABP had agreed to part-fund an academic chair in the Animals Department which would assist the University in taking forward its engagement with the CIEL consortium. Further feedback on other opportunities to engage with the company was expected in due course;
- x) that the University had participated in a bid for a National Collaborative Outreach Programme (NCOP). The consortium was led by Keele University and a formal announcement about decisions on consortia bids had yet to be received. The Government had also asked all consortia to include extra awards in their plans and, therefore, final announcements would not be made for a few months. It was understood that if the consortia were to be successful, the University was likely to need to appoint four or five new staff to run this activity. It was further understood that current widening participation and other grant funding would be reduced to help provide the necessary funding for NCOP;
- xi) that the University of Wolverhampton had asked that Harper Adams consider joining its consortium however the University had already been committed to Keele. The outcome of Wolverhampton's bid was not yet known although it was understood that Wolverhampton might be leading on supporting Telford schools;

- xii) that the University had been shortlisted in the Times Higher Awards for University/Business Collaboration for its work with Dairy Crest. The collaboration had also been highlighted by the EU commission as a possible case study by a publication that it was drawing together;
- xiii) that the Vice-Chancellor had attended GuildHE Council at which the technical specification for TEF 2 had been discussed. The latest information indicated that the Government wished to establish gold, silver and bronze assessments as part of TEF 2 which would be driven by metrics and supported by a 15-page narrative which needed to be submitted, in Harper Adams's case, by the end of January 2017 with results to be announced in May 2017. Assessors had been selected and announcements were likely to be made in the near future. It was understood that a member of Harper Adams staff was likely to be included in the forthcoming announcement;
- xiv) that a student submission was welcomed as part of the 15-page document but not necessarily expected;
- xv) that metrics around the gradueness of jobs had been retained following the consultation exercise, although a slightly different approach appeared to be emerging which was not unhelpful to small specialist higher education institutions. This would continue to be monitored closely;
- xvi) that a useful presentation from the UUK international unit had been received at the GuildHE conference. Home Office representatives had emphasised their intention to continue to reduce and put in restrictions on the number of visas for international students. It was understood that the Home Office might, in due course, introduce a selective visa system that would be based on quality metrics although further details were not yet known;
- xvii) that the University had been one of twelve institutions mentioned in a recent report on university international work.

#### 16/08 Risk Management

Received: an updated report from the University Secretary on the University's management of risks assigned to the Board of Governors for monitoring.

#### 16/09 Management Accounts

Received: the draft management accounts for the period to 31 July 2016.

- Noted:
- i) that further adjustments would be made to the accounts following the year end process. These would be reflected in the final financial statements to be presented to the Board in November;
  - ii) that the Director of Finance wished to brief members at the meeting on a request for an adjustment to the Board's current approach to the adoption of a fixed asset revaluation. The Director of Finance introduced the paper at the meeting and explained that, following discussions with internal auditors, and further review by the finance team, it had been clarified that the valuation of residences had been based upon rental streams only, rather than on actual fabric and condition etc. as the University had a mixed portfolio of student residences. This was not necessarily reflective of their true value and, in particular, the actual value of buildings, fixtures and fittings of plant. In light of this, the finance team wished to propose that the valuation should be described in more detail in this way. Independent advice from an RICS accredited valuer had also been sought about depreciation of the various components;

- iii) that, in light of the fact that the University had, in the past, used a 50-year depreciation process for residences, it was possible that 10 years would be more reasonable for certain fixtures and fittings. For example, in light of this work, the Director of Finance wished to recommend that the Board should review its previous decision to accept revaluation of residences. She wished to propose that the categorisation of buildings, fixtures and fittings and plant should be adopted and that original costs should be reflected in the valuation rather than rental stream valuations;
- iv) that if the revised approach would reduce the overall valuation uplift by £7.8m. However, the depreciation charge would also be tempered accordingly;
- v) that the Board felt comfortable that historic book cost was a more appropriate approach to take for older assets. Members also welcomed the opportunity for a more robust and specific analysis of depreciation to be put in place.

## 16/10 Financial Planning

### To receive:

- i) an oral briefing from the Director of Finance on progress with preparation of the annual accounts and financial statement and engagement with external auditors;
- ii) an oral briefing on a fee strategy for the transitional period of the new Teaching Excellence Framework (TEF);
- iii) a progress report on the Corporate Planning Statement 2016/17;
- iv) Sustainable Energy Transformation Project (STEP) update on legal matters.

### Noted:

- i) that external auditors were undertaking year end, in accordance with the agreed timetable;
- ii) that the University continued to monitor closely sector developments in relation to fees uplift relating to the TEF process. Harper Adams had met the requirements of TEF 1 and, therefore, was in a position to uplift all student fees to £9,250 from 2017/18 onwards. However, after discussion, the University had agreed that it would be appropriate to move forward to charging the updated fees to new students who would commence their course in 2017/18 only. With respect to students who had started in earlier years, it was proposed that, although those students starting their course in 2016/17 would be subject to the uplifted fees, a bursary system would be in place to support students in their placement year so that, overall, their course costs in terms of tuition fees did not exceed those that had been advertised at the time of their application despite the fact that the University had reserved the right to raise fees in accordance with inflation;
- iii) that it was recognised that other universities had decided to implement new fees for all students with immediate effect and this had not necessarily been well received. Harper Adams, therefore, wished to take a more cautious approach;
- iv) that sound progress was being made with the Corporate Planning Statement 2016/17. In particular, the University had been able to secure the remaining 50% funding to enable a chair in precision

farming economics to be progressed. The Elizabeth Creak Charitable Trust had generously agreed to provide this funding;

- v) that a bid to the Regional Development Fund/ESIF to try and secure matched funding for knowledge exchange had also been progressed in relation to the University's engagement with the agri-tech strategy. It was understood that, across the country, ESIF committees were trying to progress bids prior to the Autumn Statement when it was understood that funding arrangements might possible change;
- vi) that a new lectureship focused on Sub-Saharan Agriculture was also being progressed. This would be a helpful development prior to the forthcoming meeting with AGCO Future Farm project in Zambia which the Vice-Chancellor would be attending in November. The focus of this meeting was to discuss the future strategy for the partnership and having a new lectureship in development would be helpful in this regard;
- vii) that the Director of Learning planned to bid to HEFCE for the Catalyst Fund to support inclusive learning and teaching;
- viii) that a number of detailed minor legal matters with regard to the STEP sustainable energy transformation project had emerged in recent weeks. These were set out in the agenda papers circulated to members. Following circulation of the papers, the Chairman and Vice Chairman had confirmed their wish to recommend to the Board that the easement to enable utilities to be put in place should be approved together with the arrangements for the appropriate disposition.

Agreed:

- i) the University's approach to implementation of the uplift in fees to £9,250 from 2017/18 onwards as outlined above;
- ii) to endorse the Chairman and Vice Chairman's approval of the easement and disposition arrangements and to agree that the Finance and General Purposes Committee be authorised to act on behalf of the Board to agree such other arrangements in relation to the project as might be necessary including any further easements or similar legal arrangements relating to this position;
- iii) that an order should be sought from the Charity Commission as outlined in the agenda paper.

**16/11 Academic Board and Academic Developments, including consideration by the Board of Governors of annual reports on Academic Quality Matters**

Considered:

- i) a report on the meeting of Academic Board held on 28 June 2016;
- ii) annual reports on the arrangements for assuring academic quality at Harper Adams University.

Noted:

- i) that the Academic Board had considered at its last meeting, the Internationalisation Strategy together with proposed changes to the Academic Quality Assurance manual. A number of minor changes to admissions processes had also been agreed together with matters relating to Tier 4 visas for international students;
- ii) that Academic Board had also undertaken a review of the student complaints procedures and had agreed a number of updates;

- iii) that the Academic Board had also received a mapping of the University's compliance with the Competition and Markets Authority guidance and had been content that appropriate steps and arrangements were now in place;
- iv) that the detailed documentation circulated in Booklet 1 Item 10 (ii) provided the Board with a comprehensive range of background information to help it with its new role in relation to academic quality. In particular members noted that it was important for the Board to further enhance its current relationship with Academic Board and to ensure that members had a more detailed understanding of quality assurance arrangements. This was necessary to enable the Board to be in a position by November 2016 and each year thereafter to consider whether or not the Board was content to authorise the Vice-Chancellor to sign off a number of statements which would confirm whether or not the Board of Governors felt sufficiently ensured with the University's quality assurance arrangements;
- v) that the new arrangements supported a general drive towards enabling established providers to take responsibility for greater self-regulation with the Board of Governor/governing body of each university taking specific responsibility in this regard in relation to degree standards being effectively managed and quality appropriately maintained;
- vi) that Harper Adams would be subject to a higher education assurance review visit during the period January-July 2017. Further arrangements were currently awaited;
- vii) that HEFCE had announced that the annual monitoring statement would no longer be required and that further information would be forthcoming shortly;
- viii) that the Board had agreed to dedicate its University Executive/Board of Governors planning session for 2016/17 (which would follow the Board meeting) to considering in detail the quality assurance reports presented at Item 10 (ii) and supplemented by further information provided to members on the Governors' document library. A presentation would also be given by the Academic Registrar/Director of Academic Services and Head of Educational Development and Quality Enhancement to members. It was hoped that during the presentation, members would ask any question that they wished and that the detailed discussion would enable members to feel that they had sufficient information to move forward to consider the new assurance statements in due course.

#### 16/12 Report of the Students' Union Vice-President (FH)

Received: a report by the Vice-President of the Students' Union on recent activities of the Students' Union.

Noted: i) that, following restructuring in the previous academic year, the new Students' Union team was settling in and it was particularly helpful that the new role of Office Manager had been taken up by an individual who had worked in the Students' Union previously for a short period and had been willing to return and take up the new role. In addition to this the Commercial Manager who had resigned to take up another role during the previous year had also decided to express an interest in returning to work in the Students' Union and following due process, had been reappointed to a revised commercial manager role;

- ii) that the Students' Union President and his team were in discussion with Student Services about the best way to use the new funds. The Students' Union was clear that these would be used to support smaller clubs with less traditional focus and to add to major events and add alternative elements to traditional events so that these appealed to a wider group of students. The President and the Commercial Manager had worked hard over the summer to secure new sponsors. AGCO had agreed to sponsor sports teams and, overall, sponsorship had increased in this area by over five times when compared to the previous year. Further opportunities were being followed up in relation to a proposal to create a new set of awards, the 'True Blue' awards which would recognise students who had demonstrated leadership, management and a willingness to get involved within the University as well as excellence in academic achievement;
- iii) that discussions with the Students' Union trustees had led to a decision that the second year student appointed as Vice President would become the chairman of the Students' Union. It had also been decided that final year students would be encouraged to put their names forward to be elected as vice presidents so that a group of final year students would have an opportunity to understand in more detail the roles and responsibilities of the President before they decided whether or not to stand for election to the role;
- iv) that the President had found his attendance at the LFHE training session for student governors useful in the main. A particularly useful aspect had been the opportunity to engage with other presidents. There had been some less positive aspects of the event and the University Secretary had agreed to feed these back to the Governor Development Advisory Group in due course;
- v) that the Students' Union was currently reviewing arrangements for management accounting;
- vi) that preparation of the final year accounts was progressing and it was anticipated that external auditors would complete their review in time for accounts to be presented to the Board at its meeting in November 2016. However, in the meantime, the President wished to draw to the attention of the Board that subject to audit, the Students' Union had overspent against budget by £62,000 in the previous year. Whilst some of this additional cost related to restructuring and staffing costs, other decisions had been made during the year which had led to a loss of revenue around certain events which the current President felt could not be continued into the current year. There had also been a loss on the summer ball and the Students' Union had taken steps to ensure that cost control was improved. The new Office Manager and Commercial Manager were taking these actions forward and improvements had already been seen. In addition to this, a new management accounts service was being secured.

Agreed: to thank Mr Hammond for his helpful report and to wish him every success during his year as President.

#### 16/13 Marketing and Communications

Received: a report from the Director of Marketing and Communications.

Noted: i) that a member of the Board of Governors had visited the University stand at two events. With regard to the Game Fair it was suggested

that it would be helpful to try and seek a better location. It was noted that this was already in hand;

- ii) that with regard to Countryside Live it was suggested that the stand needed to be reviewed as other universities had taken a more engaging approach in designing their stand which had appeared to be more successful in attracting a wider audience. The Secretary would draw these points to the attention of Simon Pride. **CEB/SP**

#### 16/14 **Harper Adams University Development Trust**

Received: a report of a meeting of the Trust held on 5 July 2016.

#### 16/15 **HEFCE and Other Circulars**

Received: a list of HEFCE and other circulars received by the University since the last meeting of the Board

#### 16/17 **Any Other Business**

##### **One-to-One discussions with the Chairman of the Board of Governors**

Noted: that the Chairman reported that although the majority of one-to-one discussions had taken place there was still a small number of appointments to be agreed. Members were encouraged to contact the Chairman so that he would be in a position to give thematic feedback to the Board at its November meeting. **ALL**

##### **Leadership Foundation Training for Members of Boards of Governors**

Noted: that members had been provided with information about training events during the forthcoming year and all were encouraged to contact the Secretary if they wished to book for a particular session.

#### 16/18 **Date of Next Meeting**

29 November 2016 at 1000 with a pre-meeting visit at 0900