

HARPER ADAMS UNIVERSITY

Board of Governors

Minutes of the Meeting of the Board of Governors held on 28 September 2017 in the Boardroom

Present: Mr Mike Lewis Chairman
Dr David Llewellyn Vice-Chancellor
Mr Colin Bailey
Mr Tim Burnhope
Mr Peter Cowdy
Dr John Donaldson Staff Governor
Mrs Emma Folkes
Miss Charlotte Garbutt President of the Students' Union
Mr Richard Hambleton
Mr Peter Nixon
Prof Mark Omerod
Dr Julia Pointon
Mrs Christine Snell
Dr Martin Thomas
Mr Campbell Tweed
Mr Stephen Vickers Vice-Chairman

Apologies: Mrs Lavinia Moroz-Hale
Dr Moira Harris
Mrs Heather Jenkins
Prof Peter Mills
Mr Mark Roach
Mr Dominic Wong

In attendance: Dr Catherine Baxter University Secretary & Clerk to the Board
Mrs Liz Furey Director of Finance

Register of Interests

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

17/01 New Members/Staff Observers

- Welcome:
- i) Members welcomed John Donaldson who had recently been re-elected as an Academic Staff Governor;
 - ii) John Melia and Louise Manning were welcomed to the meeting as staff observers.
- Agreed:
- i) that the annual election for Chair and Vice Chair of the Board would take place in advance of the November 2017 meeting. Following discussion between the Chair and Vice Chair a proposal to seek expressions of interest for a second Vice Chair had emerged.
 - ii) that members were in support of this idea. the Secretary would circulate the relevant documentation to members of the Board seeking nominations for Chair and for the two Vice Chair positions for 2017/18. **CEB**
 - ii) Mr Lewis and Mr Vickers were willing to express an interest in

continuing in the roles of Chair and Vice-Chair respectively for a further year.

17/02 **Minutes**

Approved: the minutes of the meeting of the Board of Governors held on 6th July 2017 (16/58 to 16/78)

Received: a matters arising report prepared by the University Secretary.

- Noted:
- i) that following discussion at the July 2017 board meeting, the Chair had taken action to update the terms of reference for the farm strategy committee to enable Mrs Snell to join the committee as a further co-opted independent member. Members **ENDORSED** the Chair's action.
 - ii) that the Chairman had also taken action over the summer period to agree updates to the University's Data Protection arrangements to reflect the forthcoming General Data Protection Regulations (GDPR) requirements. He had also taken action to agree a minor change to the University's Freedom of Information appeals process to allow the University Secretary to nominate another person to consider an appeal in instances where she had already had some involvement with a particular FOIA request. This change would ensure that an independent person is able to consider any appeal. Members **ENDORSED** the Chair's actions.
 - iii) that the Chair had also taken action together with the Chair of the Staffing Committee and the Chair of the F and GP committee to agree that the outcome of the national pay award negotiations announced by UCEA should be implemented with effect from 1 August 2017. Members agreed to endorse the Chair's action.
 - iv) that HEFCE had recently announced further changes to the proposals for new Value for Money reporting requirements. The decision had now been made not to require full VFM reports to be presented annually with the first one due in December 2017. Instead, HEFCE would be requiring all HEIs to submit an Annual Efficiency Return comprising a more targeted collection of data on efficiencies realised in the 2016/17 academic year. This report would be due to be submitted by 31 January 2018. The Director of Finance and her team were working on this report and would also ensure that the University's ongoing internal reporting and value for money continued as appropriate, once further HEFCE guidance is issued, **LF**
 - v) that the University's application to the Charity Commission for formal approval to lease land to Cedar Energy to facilitate the STEP project had recently been received. Members acknowledged and **NOTED** a copy of the order included in the agenda papers.

17/03 **Terms of Reference**

Approved: the terms of reference of the Board of Governors for 2017/18 as set out in the agenda papers.

17/04 **Vice Chancellor's Report**

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

- Noted:
- i) that the University had achieved the highest position of any post 1992 HEI for two consecutive years in the Sunday Times Good University Guide table. The title of Best Modern University had also been awarded to Harper Adams together with third place in Student Experience and

fourth in the Teaching Excellence League table. The University was also identified as fifth in the table for Spend on Students although members noted that the capital programme had been particularly significant during the last year and it was therefore likely that this performance might change in the 2018 table. The University was currently engaging with the Guardian with a view to trying to persuade the publication that small specialist institutions should not be separated into a separate table but included in the main university table.

- ii) that the Director of Finance would consider whether or not the purchase of agricultural land can be reported as a capital item. **LF**
- iii) that working with HEFCE colleagues, further information on the numbers of students studying agriculture and related subjects at undergraduate and postgraduate level had recently been received. The figures showed that the numbers remained flat or slightly down over the period and postgraduate research students in particular continued to decline, a point that had been raised regularly by Harper Adams with key bodies including the BBSRC. The University remains committed to trying to secure a doctoral training centre if at all possible as it was important to ensure that applied researchers are trained not only for industry roles but for the next generation of academic staff in specialist institutions in particular.
- iv) that the current number of students enrolled in undergraduate programmes for 2017/18 as new students was currently 617 with a further two expected to join the cohort in the next couple of days. It was recognised that this had fallen short of the 630 target which had in turn been adjusted downwards during the year to try and take account of the challenging recruitment situation. Further work to refocus the University's marketing plans and in particular developing individualised methods of keeping in touch with potential applicants was well advanced. The University had also been prudent in its budgeting and recognised the need to try and manage its finances extremely carefully over the coming year. Finance and General Purposes Committee would be kept informed. **LF**
- v) that data available to date showed that lower tariff universities are at least 5% down in terms of UCAS applications and in addition to this, the demographic downturn appears to be affecting applicant numbers significantly particularly those from rural areas. In addition to this it has been suggested that due to financial challenges in agriculture in particular, some students from farming families may be choosing not to progress to higher education at this time. The Vice Chancellor had been talking to industry leaders with a view to encouraging them to support specialist institutions in communicating to young people the need for them to have higher level skills to be successful in their careers. Fees and general issues that have been raised about the University sector generally over the summer period had not been particularly helpful. There also continued to be an emphasis on opportunities to undertake apprenticeships even though there were not very many of these programmes in place at this point. The University had worked hard to introduce an apprenticeship related to rural estate management, however the companies had not yet been able to put forward sufficient candidates and therefore this remained a priority for 2018.
- vi) that as agreed by the Board, the University had progressed with its interest in purchasing farmland located immediately adjacent to the University. A final price had been agreed and a joint bid put forward with the current tenant. It had been important for the matter to be kept

confidential to ensure the University's bidding position was protected as well as that of the tenant. The final legal steps were in hand and it was anticipated that final documentation would be signed over the next few weeks. Members recognised that this was a very important investment for the future of the University and helped to manage the risks around access to farmland which had been a concern for quite some time.

- vii) that the Industrial Strategy was still under discussion within government, and links to the agri-tech strategy were not yet fully clarified. The four centres of innovation developed under the agri-tech strategy were at different stages of development. However it was understood that the NFU and the AHDB were hoping to provide a forum to draw Hub activities together and focus on the benefits for the sector as a whole.
- viii) that the university was continuing to engage with BEIS and Treasury officials as well as the Marches LEP to ensure that the development of agri-tech businesses as a cluster around the University remained a priority. The Newport innovation Park was due to start construction at the beginning of 2018 with initial phases focusing on infrastructure and some incubation units developed by the local authority. All parties remained interested in attracting companies relating to agri-tech and advanced manufacturing in general;
- ix) that the Agri-Epi hub was open and the University was engaging with Agri-Epi colleagues on ways to ensure that the facility is jointly promoted;
- x) that the Student Union has been managing a number of staffing changes over the summer alongside focusing on preparations for welcoming new students in the autumn term. Members noted that further details were reported by the President in her report later on the agenda.
- xi) The Vice-Chancellor explained that the 'Hands-Free Hectare' had received a very good level of interest in a wide range of media including radio, television and print in recent weeks. Members noted the map of international press/media coverage which showed that the project had been covered in all parts of the globe from Russia to South America and in Far East. The Head of Engineering had travelled to China recently and have been asked about the project and an Indian company was particularly interested. The latter wished to support a similar project based in India together with providing sufficient funding for a winter crop to be planted at Harper Adams which would enable the project to continue and be an important demonstration activity during the coming year.
- xii) that the two newly appointed Professors of Agri-Tech Economics would be starting in January 2018 with a key focus on socio-economic impacts of using robotics in production agriculture. It was explained that the 'Hands-Free Hectare' project had shown that innovation could be taken forward fairly rapidly using existing technology and machinery, drawing on open source software. In discussion, it was confirmed that visitors would have an opportunity to engage with the project over the summer, including students of the JCB Academy who have been able to witness autonomous harvesting in action.
- xiii) that the University's laser weeding project was also progressing with field trials well underway. In addition to this the 'Hands Free Hectare' team would be sowing a crop at Cereals and doing a live demonstration during this important industry focused event.
- xiv) that in discussion, members noted that a shortage of technical staff particularly in roles like agronomy, had led to very significant salaries

being offered to good candidates. Members recognise that it was important to communicate this to applicants as well as current students. However it was noted that the recent longitudinal employment (LEO) data had indicated that in general agriculture salaries for graduates were close to the bottom of the table with an average of £21,000. This had been discussed with key industry representatives as it was recognised that it would be important to try and increase such salary levels. It was possible that where graduates are not earning sufficient money to pay back their student loans, this may become an institution focused issue with universities potentially being expected to address shortfalls in repayments arising from its graduates. It was noteworthy that at institutional level, Harper Adams was performing relatively strongly and was currently located for Engineering students between Coventry and Birmingham universities in the table.

- xv) it was further noted that salaries are not weighted for region and self-employed salaries are not yet included.
- xvi) that the numbers of students taking Agricultural Science and Forestry Honours degrees across the UK remain extremely low and this is also a concern across the sector.

17/05 **Members Discussion**

Noted:

Members discussed the Committee of University Chairs illustrative practice note on sustainability in universities. During a detailed discussion the following key points were made;

- i) that sustainability was a key aspect of the Governors and University planning session which would follow the meeting;
- ii) that the CUC paper was thought-provoking and useful and made key points about the interrelationships of a range of factors that overall delivered sustainability in universities. Members commented that in their view the University and the Board had a strong sense of vision and purpose. It was also noted that the University had recently reviewed its KPI set and had agreed that key KPIs would be reported to the Board with a small number of PIs made available to members through the Governor's document site. Although members noted that the CUC paper emphasised the importance of a wide range of KPIs, members also felt that having a focused range of KPIs/PIs remained important and members also noted that they had previously agreed appropriate KPIs that should be included in the ASSUR Return. In addition to these KPIs members of the Board also reviewed financial performance indicators together with a wide range of student indicators as part of the Board's role in overseeing academic quality matters.
- iii) that members felt figure 1 within the document was a useful diagrammatic representation of the interaction between governance vision, management and KPIs and how these work together to ensure institutional sustainability.
- iv) that the University where possible, briefed members of the Board about available benchmark data. In particular HEFCE's annual report on the financial health of the sector was shared in detail with the F and GP Committee and reported through to the Board. TRAC was also discussed with the F and GP Committee and reported to the Board of Governors through the work of that Committee.

- v) that the University, also reported regularly to the Board on market intelligence where information was available. However in discussion, it was suggested that it would be useful for the Board to be further briefed about how the University's performance in relation to TEF 1 compared with close competitors. It was also suggested that it may be useful to include a review of HEI's that may not be direct competitors but which appear to be performing well at cognate subject level as this might increase the basket of comparators.
- vi) that the Board recognised the importance of the work of its subcommittees and that members felt they were well briefed by senior team through reports at both Board and subcommittee level.
- vii) that the University had developed a number of new programmes to improve its ability to compete with others for a wider range of students without however diluting standards or moving too far away from the University specialist nature.

- Agreed:
- i) that a report would be prepared focusing on the 10 universities that are ahead of Harper Adams in the recent TEF. **DGL**
 - ii) that the management team would continue to brief F and GP Committee and the Board on key documents such as HEFCE's annual report on the financial health of the sector;
 - iii) that the report of the Vice Chancellor and that of the Director of Marketing and Communications would continue to provide information on competitor awareness and intelligence as far as such data is available.

17/06 Finance & Planning

- Received:
- i) an oral briefing from the Director of Finance on progress of preparation of the annual accounts and financial statements and engagement with KPMG, external auditors.
 - ii) to progress report on the Corporate Planning Statement 2017/18.
- Noted:
- ii) that the Chair of Audit and Risk Management Committee had taken Chair's Action to agree minor updating changes to the external auditors engagement letter. These reflected changes to HEFCE's memorandum of Assurance and Accountability and there were not significant changes to the overall audit approach.
 - ii) that the annual accounts and financial statements were in preparation. Initial results indicated cash generation of £4.5 million with a surplus of approximately £1.6 million at year end 31 July 2017. There were a number of areas of judgement that had been necessary and the University had taken a prudent approach in relation to PAYE as HMRC had not yet confirmed the position with regard to self-employed contractors.
 - iii) that the accounts of the Development Trust were also being finalised at this stage.
 - iv) that the Corporate Planning Statement presentation will be further updated for future meetings to ensure that the key was clearer. **CEB**
 - v) that the University had attracted approximately 22% of its students from urban areas which showed its marketing approach and development of new courses was perhaps starting to bear fruit in some instances.

Agreed: to **ENDORSE** the action taken by the Chair of Audit and Risk Management Committee to agree minor changes to the external auditor's engagement;

17/07 Strategic Topics

Received: a report from the Deputy Vice Chancellor on the veterinary school project with Keele University (note Prof M Ormerod left the meeting for discussion of this item)

- Noted:
- i) that following the July Board meeting the agreed announcement of discussions between Harper Adams and Keele University have been received positively by the British Veterinary Association as well as a wide range of veterinary practitioners. The University's alumni also appeared to understand the University's reasons for considering the development of the vet school and feedback had been positive, with no one expressing any particular concerns;
 - ii) that there was an opportunity to bid for Catalyst Funding which would not directly support the development of the vet school but might support a project such as a national centre for animal well-being. This proposal was currently under development and was due to be submitted in the next few weeks;
 - iii) that the Director of Finance was now chairing the Finance and Legal group set up between Keele and Harper Adams. The steering board also contained the Chairs of each of the key subgroups. It was also likely that a member of staff at Harper Adams may be asked to chair the operational group with Keele chairing the curriculum group at the current time;
 - iv) that the steering group is still aiming to develop the school project along a timeline that would allow it to take its first students in 2019. It was recognised that this was challenging and there was a significant amount of work to do to achieve this ambition.
 - v) that the universities had agreed to approach Evershed's to advise on the legal structure as their team appeared to have significant experience of similar joint University projects. Professional advice on taxation was also being taken with regard to the various legal structures;
 - vi) that Harper Adams staff had also been engaging in particular with colleagues from the Brighton and Sussex Medical School to understand the practical and operational steps that have been put in place over the last 10 years to make that particular joint venture work effectively particularly as it involved pre-and post-92 partnership;
 - vii) that investment in practical facilities would have to be considered carefully particularly with regard to the challenging timeline
 - viii) that colleagues from Keele had estimated that they were unlikely to be ready with the final proposal until early 2018 and they intended to aim for their Council meeting in February 2018. As Harper Adams Board would be meeting in November and following that in April 2018 it was agreed that a special Board should be convened during early 2018. It would also be important for Prof Mills to continue to brief the working group.
 - ix) that as reported earlier in the meeting the University have been able to progress positively with the purchase of adjacent farmland.

Agreed:

- i) CEB as Secretary, to confirm a date for a special board meeting in January 2018.

CEB

- ii) Prof Mills to continue to keep the working group briefed on the project

PRM

17/08 Academic Developments

Consideration by the Board of Governors of annual reports on academic quality matters

Considered:

a briefing note and annual reports on the arrangements for assuring academic quality at Harper Adams University and a summary report on the annual review of the academic quality manual.

Noted:

- i) that as agreed in September 2016, the Board would be receiving during each year a number of key reports on academic quality matters which it was hoped would inform the Board's decision-making when considering the annual assurance statements

that the summary report on the annual review of the academic quality manual was an example report requested by the Board. The remaining reports would be presented at the November 2017 meeting.

Agreed:

that members were content with the summary report on the annual review of the Academic Quality Manual.

17/09 Report of the Student Union President

Received:

a report by the President of the Students Union on recent activities including the President's attendance at the Leadership Foundation for Higher Education training event for new student governors.

Noted:

- i) that the LFHE training had been a very positive and useful event, and had enabled the President to meet a number of student presidents from other universities;
- ii) that the Student Union had been actively supporting Student Wardens as well as staff in welcoming new students and their parents over the last few days;
- ii) that over the summer the students union had appointed a new security team which had proved very positive to date. A formal tender for security services would be prepared during the year.
- iii) that the Student Union had secured a further £20,000 sponsorship from AGCO for a number of sports teams and AGCO would also sponsor the forthcoming ploughing match. Sponsorship had also been received from the SU's clothing supplier Rupert and Buckley;
- iv) that the President was grateful to the University for its support in helping the SU to identify and appoint two new staff – IT & Events Officer and a new SU Manager. The IT & Events Officer will be starting at the beginning of October and the SU Manager would start on 1 November 2017;

- v) that the SU have been working hard to increase the number of social events and improve the social calendar in particular ensuring that the range of events were offered which would hopefully offer something to everyone;
- vi) that the widening participation plan had been developed to try and support all students and provide a wider student experience;
- vii) that the Student Union was trialling a link with Easy Coach to provide transport to and from Newport for students for major events.

Agreed: to congratulate the President on her hard work over the summer and to wish the team every success for the coming year.

17/10 **HEFCE Higher Education Assurance Review**

Received: the final report on the HAR held in June 2017 noted that no recommendations have been made. The report was very positive about the governance arrangements at the University

17/11 **Any Other Business**

The Criminal Finances Act

Noted: that the above act had would come into force with effect from 30 September 2017. It focused on tax evasion and corporate responsibility where a corporate body did not take the appropriate steps to avoid criminal liability may occur under the new act. The Director of Finance and her team would be developing a policy to clarify the University's arrangements and would be drawing on recent advice provided by BUF DG. The Director of Finance would brief Audit and Risk Management Committee at its next meeting. **LF**

17/12 **Date of next meeting:**

Noted: that the next meeting will take place on Tuesday, 28 November 2017.

Part Two Starred Items

17/13 **Risk Management**

Received: an updated report by the University Secretary on the key risk areas monitored by the Board of Governors.

17/14 Management accounts

Received: the draft management accounts report for the period to 31 July 2017

17/15 Marketing and Communications

Received: a report from the Director of Marketing Communications.

17/16 Prevent duty

Considered: the annual report on the University's compliance with Prevent duty and preparation of the Board's consideration of the Annual Assurance return and associated declaration due to be submitted to HEFCE in December 2017.

Agreed: that members were content with the report and had no questions or queries to raise; **CEB**

17/17 Health and safety report 2017 including the annual accident near-misses report

Received: the above report.

Agreed: i) that in future this report would not be starred but would be included on the main agenda. **CEB**

ii) that the summary report of the Health and Safety Committee would also be included on the main agenda rather than as a starred item in future; **CEB**

iii) that the Health and Safety Committees reports to the Finance and General Purposes Committee continue to be helpful together with the lead governor role played by Martin Thomas. Notwithstanding this however, members agreed that Health and Safety Committee reports should continue to be included on the main agenda. **CEB**

17/18 Collection of equality and diversity data relating to governing bodies of HEI's

Noted: that there were proposals for a new process to collect Equality & Diversity data relating to the membership governing bodies as part of the HESA staff return.

17/19 Harper Adams University Development Trust

Noted: a report of the meeting of the Trust held on 18 July 2017.

17/20 HEFCE and other sectors

Received: a list of HEFCE in other sectors received by the University since the last meeting of the Board.

Part Three- Background reading for Governors and University Executive Planning Day- Strategic Planning Update:

17/21 A briefing note by the Vice Chancellor on key strategic issues facing the University.

Received: An outline of work undertaken since the last meeting of the Board to address and engage with these issues.

Agreed: that the briefing note would be considered in more detail at the strategic planning day that followed the meeting of the Board and Reserved Business minutes.