

HARPER ADAMS UNIVERSITY

Board of Governors

Minutes of the Meeting of the Board of Governors held on 26 November 2021 in the Boardroom

Present:	Mr Dominic Wong	Vice-Chair (Chair for the meeting)
	Professor Ken Sloan	Vice-Chancellor
	Mr Vernon Blakeman	Staff Governor
	Ms Emily Brown	SU President
	Mr Ken Greetham	
	Mr Mark Griffiths	
	Mrs Yvonne Hawkins	
	Mr Edosa Odaro	
	Professor Mark Ormerod	
	Dr John Reade	Staff Governor
	Mr Ben Shipston	
	Ms Liz Salter	
	Mr Talib Sheikh	
	Ms Uloma Uhunmwangho	

setting for the Vice-Chancellor;

PN;

- ii) that Members were content that all other matters arising had either been resolved or were an item later on the agenda.

21/22 **Vice-Chancellors Report and Governors Discussion**

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that the current plans were in year 3 of a 5 years approval period. Mr John Blake would bring to the role his experience of teaching and education policy and had confirmed his wish to see HEIs establish further partnerships with schools to support arraignment for disadvantaged young people, providing knowledge, skills and experiences to help such students access higher education. The Government also wished to see evidenced of participation and success in HE for such students through provision of high-quality courses that meet their needs and support progression into careers after graduation. There was concern that the announcement appeared to propose that HEIs would be required to share accountability for academic outcomes in schools for the good of wider society. This was a significant departure from previous expectations and the University, along with many other HEIs would be keen to comment robustly on such proposals as and when the opportunity arises;

- vi) that the Vice-Chancellor had been meeting staff in a number of different settings and was keen to seek their views and comments on the future size and shape of the University to help inform the forthcoming Strategic Plan discussion with the Board planned for 24 March 2022. At a recent meeting with staff, the Vice-Chancellor had invited staff to somewhat Harper Adams in a word and to also invite staff to think about what they would like to change. Feedback on this approach had been very positive and people were pleased to have been given the opportunity to share their views at the meeting. The word pictures created during the staff meeting were shared with the Board. While much of the feedback was positive there were also a number of comments made which were less positive and which indicated areas for further work and development. Staff had consistently identified opportunities to work in an agile way where it was possible to do so. However others had fed back a concern that there may be a loss of community cohesion and engagement between staff if staff did not have opportunities to meet up on campus and it was also recognised that a careful balance was needed to sustain important facilities on the campus such as catering. An area highlighted as one for further consideration was the workload model for academic staff. Feedback also indicated that staff are proud of the achievement of students and the reputation of the University. There was also an indication that staff would welcome opportunities to improve systems while others remained modern and fit for purpose;

- vii) that there had been a more significant turnover of staff over the past 6 to 12 months as a result of planned retirements and staff being headhunted for higher paid/different roles in other universities and organisations. This have been discussed with Staffing Committee and while it had been noted that the level of turnover remained in line with that seen in other organisations it was nevertheless higher than had been the case at the University in recent years. A review of pay and reward had also been discussed and was in hand. As part of this, as indicated later on the agenda, the Staffing Committee wished to propose that all staff were awarded additional leave through the allocation of adhe
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students/staff are considering where to study/work respectively including its underlying infrastructure;

- xiii) that engagement with other stakeholders including school and college connections, alumni and industry partners would also take place to seek their feedback as key stakeholders. It was hoped that members of the Board would also be willing to share their thoughts and ambitions for the future of the institution s with the Vice-Chancellor over the coming months leading up to the strategy session in March 2022. Professor Sloan emphasised that he would welcome members making contact with him at any time including in between meetings and he would be asking his office to arrange a one-to-one meeting with each member of the Board before the strategy discussion in March 2022. Members also agreed that no question was a “stupid” question – all were equally valid and welcomed; in the spirit of open governance and management;

KS/ALL

- xiv) that in discussion amongst members, it

such a body in due course. There may also be an opportunity to create a similar group made up of schools and colleges with whom the University would find it useful to engage;

- xviii) that some members of the Board felt that the University was modest in its communications about its success and could further strengthen its messages and celebrate its achievements more obviously;
- xviii) that there was a need to ensure that staff were thanked for their contributions in different ways and opportunities to do this would be explored in due course. Professor Sloan also planned to set up a series of informal thematic discussion sessions with proactive engagement by staff from different parts of the organisation so that people in a wide range of roles at all levels could share their views and opinions. Similarly, it was hoped to work with the Students' Union to gather student groups from across the institution to feedback their thoughts and views so that messages could be crystallised and validated with as many people as possible.

21/23 OfS Accountability Return 2020/21

Received: a briefing note on the documentation required for the OfS Annual Accountability Return and the process that needs to be followed to seek approval of the various documents required from the Board and its subcommittees

Noted: that the report confirmed that the Board had either already received and agreed the necessary documents; or would receive and consider them during the meeting except for the final Five Year Forecast which would be considered at the special meetings already arranged for January 2022 when F&GP Committee and the Board would be meeting to consider this important item **LF**

21/24 Audit and Risk Management Committee

Received:

- i) a report on the meeting of the Committee held on 12 November 2021
- ii) the draft Annual Report of the Audit and Risk Management Committee for 2020/21 financial year including as annexes the reports of the Internal Auditors and the draft report of the External Auditors;
- iii) the Value for Money Report 2020/21 and Value for Money Plan for 2021/22 and the Value for Money Strategy.

Noted:

- i) that during the previous evening external auditors had identified an overstatement of £68K related to investment income. Therefore the pre-tax loss had now changed from £28K to £96K. The loss after tax had also therefore changed to £159K. However, whilst the error was not material and the auditors did not require adjustment. Nevertheless the final accounts would be adjusted in preference to including reference to an unadjusted matter being highlighted in the letter of representation. A lower level of similar overstatement had taken place in the previous year which had not been identified however given the level of materiality it was not necessary to disclose a prior year adjustment for the previous year. Members expressed their support for this approach;

LF

ii)

including the Risk Appetite Statement and had recommended these to the Board for its approval;

Agreed:

- i) that the Internal Auditors, RSM, be reappointed for the year 2021/22; **KB**
- ii) that and External Audit Grant Thornton be reappointed for 2021/22; LF
- iii) that the Value for Money Report for 2020/21, Value for Money Plan for 2021/22, and Value for Money Strategy for 2021/22 be approved;
- iv) that the draft report of the Audit and Risk Management Committee for 2020/21 was accepted and was confirmed as providing the Board with the sufficient assurance subject to final confirmation of the

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- ii) that the Committee had agreed to recommend the audited accounts incorporating the External Auditors opinion, Vice-Chancellors Report, and Corporate Governance statement. It had also noted that the Letters of Representation and Support were standard as drafted and there were therefore no major issues or concerns to raise. The Committee had also noted the accounts and associated letters relating to Cedar Energy and the Harper Adams University Development Trust and had no concerns to draw to the Board's attention. It was noted that the actuarial adjustment related to the Local Government Pension Scheme (LGPS) and that the University had little influence over the assumptions made by the scheme's actuaries. However, in comparison to the exposure of many other HEIs to pension issues, the University's exposure to the Shropshire LGPS Scheme was not as large. The action taken by the Board to open up a new DC scheme to the majority of new entrants who would have previously been eligible for LGPS membership was starting to help manage this risk for the future but it would take time for the risk to be minimised. The Teachers' Pension Scheme (TPS) which currently must be offered to academic staff was not funded in the same way and was government backed. However the costs of TPS to employers had risen in light of a Treasury decision by some 44% c 18 months ago and so this scheme also had cost issues associated with it without additional grant for HEIs to help fund these higher costs;
- iii) that the Committee had considered the first draft of the new format for presenting the agreed six Board level Key Performance Indicators. Work to further enhance the report and to refresh Board level KPIs in light of any changes that may arise from the planned refresh of the Strategic Plan would be progressed during 2022. In the meantime, the report was provided to the Board for its information;
- iv) that very positive progress has been made to secure a Private Placement in accordance with the o-12.3 (l)3 (2b3 (l)3 2 (h)-12.2 (e p)--6.3 (iMn /P #MCle)

- ix) that the placement funds would be used to pay off existing bank loans with Barclays, Santander and Lloyds. Details of break costs and timing was to be progressed by the CFO with Mr Wong and Mr Sheikh acting on the delegated authority of the Board to agree final pricing of fixed interest loan break costs as necessary. Although break costs were involved in two of the loans out of three, the ability to secure long term funding at a more favourable rate of interest and to consolidate borrowings was in the best interests of the University. The banks were all aware of the plan to secure a private placement and had given their assent as required for the process to be progressed. The banks would be given notice as required of loan re-payment and cancellation of facilities once funds were in place;
- x) that the deployment of funds would initially be guided by the capital budget for the current year as agreed 10-year (£90M) capital plan by the Board in July 2021, as updated in October 2021. A 10 year capital plan has been outlined starting with short-medium term needs to invest in systems and student accommodation, IT resourcing and other essential infrastructure. However, there would be a need to refresh and develop the longer term capital plan following the planned refresh of the Strategic Plan to 2030 and also to prioritise; seek match funding where possible for projects; and to keep the plan under review so that the University can invest appropriately and wisely as and when further changes to its strategy, regulations or other opportunities and/or requirements for HEIs mean that investment priorities need to be re-visited. The presentation made to investors and included a high-level M4 (ent)-13.2 (c)-8

except for Lloyds. Members were content to ask F&GP Committee to act on behalf of the Board to agree appropriate investment limits for the University's banks based on deposit/investment rates and in due course, bring forward a revised Treasury Policy for the Board to approve; **LF/DW**

Approved:

i)

the draft 2020/21 Annual Report and Financial Statements for Harper Adams University, the draft Letter of Representation for Harper Adams University Group and confirmed that the other accounts and associated letters approved by the relevant bodies and included 2 (and)-12s-13.1 (i 0 Td[(-13.1 (i 0 T

numbers the extent to which concentration could or could not be maintained at the required level. If concentration were to change then it was likely that if funding had been secured on the basis of the current W LSP criteria the University may no longer be eligible to receive such funds and would instead need to ensure that this funding is replaced by other income sources;

- v) that members were pleased to note that the attainment by BAME students is good although the level of participation remain sub optimal and continues to be a particularly important area for further work. New opportunities to try and influence students from underrepresented groups continued such as a recent request from the BBC to host a group of potential students from a wide range of backgrounds to spend time at the University to find out whether a career in the agri-food or rural industries

Received: the Prevent Duty Annual Accountability Return 2020 for Submission to the OfS in December 2020/21

Noted: i) that following the Board's consideration of the Annual Prevent Report at its October meeting, the OfS had published the requirements for the Annual Accountability Return. There had been some changes to the return, in particular, institutions were no longer required to provide a summary report, but the Board was required to sign a declaration as before confirming whether or not they were content that the University had addressed its responsibilities under the Prevent Duty. The data returned had also been simplified and no longer required qualitative information on referrals to the same extent unless a referral had been escalated and referred to relevant external organisations. D

ii)

Received: a report from the Students' Union President on the recent activities of the Students' Union

Noted: i) that the Students' Union audited accounts including the Trustees Report, and External Auditors opinion for year ended 31 July 2021 would be circulated when they were available together with responses from the SU Dt

21/31 **Modern Slavery**

Received: a briefing note on the University's continuing plans to address the Modern Slavery legislation to the University's updated statement on Modern Slavery Act for publication in January 2022.

Noted: that the University continued to address this matter appropriately.

Approved: approved the University's updated statement on the Modern Slavery Act for publication in January 2022. **LF**

21/32 **Meeting Dates 2021/22**

Received: proposed 2021/22 meeting dates for the Board of Governors and Committees.

Agreed:

Agreed: that progress remained appropriate and members had no issues to raise.

21/37 **Management Accounts**

Received: i) the Management Accounts Report for the period to 31 July 2021
ii) the Management Accounts of the period to 30 September 2021

21/38 **Harper Adams University Development Trust**

Received: a report of meeting of the Trust held on 9 November 2021.

21/39 **OfS and other Circulars**