HARPER ADAMS UNIVERSITY

Finance and General Purposes Committee

Minutes of the meeting of the Finance and General Purposes Committee held on 20 March 2017

Present:	Mr S Vickers	Chairman
	Mr M Lewis	
	Dr D Llewellyn	
	Mr P Nixon	
	Mr M Thomas	
	Mr D Wong	
In attendance:	Dr C Baxter	University Secretary
	Mrs L Furey	Director of Finance
	Professor P Mills	Deputy Vice-Chancellor

Members were reminded, if required, to update their entry in the Register of Interests.

16/33 **Minutes**

Approved: the minutes of the meeting of the Finance and General Purpose Committee held on 20 January 2017 (16/17-16/32).

16/34 **Matters Arising**

Noted:

i) that work to devel external legal adviser;

ii) that the Vice-Chancellor would update members on progress with the new logo as part of his report later on the agenda;

possible that concerns around the logo might have influenced student responses although this would not be known until the outcome of the survey later in the year;

vii) that a special staff meeting had been arranged at the end of the previous week to discuss the matter with staff. Staff had been supportive of the decision to continue to use the full University coat of arms across the campus. Staff and students had also been advised that the College of Arms had now prepared the formal letters patent which was the final stage in confirming the award of the coat of arms to the University following special approval by the Queen;

viii) that the Thomas Harper Adams coat of arms was now formally allocated to the University and, therefore, may be used by the University as it wishes;

ix) that June 2017 would be the bicentenary of the birth of Thomas Harper Adams and the Marketing and Communications team was planning a series of events to mark this important milestone;

x) that members of the Committee suggested that the Director of Marketing and Communications and his team might be use the new s

to the information included in the management accounts, the Head of Engineering

ii) that the paper updated members on the rating of the various financial institutions that the University currently engaged with;

iii) that the latest HEFCE requirements in relation to University borrowing had been reflected in the Treasury Management policy for completeness;

iv) that the annual review of loan covenants had been completed with Lloyds and Santander had indicated that it had no issues to raise. However, Santander's written confirmation was awaited. Santander wished to encompass the University group rather than just the University as was the case with Lloyds;

v) that the Director of Finance would continue to keep loan rates under view and in due course the University might wish to refix a number of loans. No action had been taken on this at this time due to the need to consider whether or not further loans might be needed for other purposes such as possible land purchase opportunities;

vi) that a minor amendment on page 43 (b) of the paper should read 'greater than' rather than 'less than'. **LF**

Agreed: to approve the Treasury Management policy as set out in the agenda.

16/41 **Strategic Project Monitoring**

Received: an oral report on progress with Agri-Tech projects.

Noted:

i) that due to the need to further value engineer the project, work on the SMART Dairy had been suspended for a short period although it was now once again underway. The project was likely to be completed within the next 12 weeks and, following this, cows would be need to be purchased to complete the stock required. Some research bids for 2017/18 had been submitted and it was likely that the outcome of bids would be known within the next week or so;

ii) that the innovation hub was due to be completed on 24 March 2017. The Deputy Vice-Chancellor was continuing to discuss with the Agri-Epi Chief Executive, plans for interaction and organisation of the space including whether or not staff and PGR student from Harper Adams might be able to utilise the office space. The Deputy Vice-Chancellor had also been discussing opportunities to develop new work streams with academic staff at Harper Adams. The Agri-Epi Board and other members also continued to look at opportunities to attract further research and activity to the new hub;

iii) that Agri-Epi had been offered a further grant of £300k for a laser unit. Confirmation had only been recently received and needed to be spent by 31 March 2017 which was a challenging deadline;

iv) that the Agri-Epi Board had agreed to consider arrangements for launching the Agri-Epi project and also the opening of the Agri-Epi hub;

v) that, overall, feedback from UKTI and other stakeholders was that the Agri-Epi consortium continued to perform positively;

vi) that a new Chief Financial Officer had been appointed who would be based in Edinburgh. It was hoped that this would reduce some of the workload for the Director of Finance at Harper Adams who had been acting as Chief Operating Officer for a number of months;

vii) that no further financial risks were posed to Harper Adams University and these continued to reduce as the project moved forward and would become more self-sustaining;

vii) that Harper Adams had been successful in a ESIF bid jointly with Aston University. This would enable the creation of a team which would work with SMEs in the Marches LEP area. An award of £2.2m had been confirmed from ERDF funding.

Agreed: to express sincere thanks to the Director of Finance for all her hard work in ensuring that the Agri-Epi projects continued to be pushed forward positively.

16/42 **Estate Developments**

Received:

i) a paper by the University Secretary/Head of Estates on progress with current estate developments;

ii) the draft (updated) Carbon Management Plan;

iii) the draft (updated) Environmental Sustainability Plan.

Noted:

i) that the University had given appropriate notice under the contract for delays caused to the STEP project by contractor and sub-contractor issues. Formal meetings had taken place with senior staff from Forest and this dialogue and formal exchange of documentation was continuing. In the meantime, the University had been acting in accordance with advice from Faithfull and Gould to charge damages for delays by withholding payments from valuations submitted over recent weeks;

ii) that the Director of Finance had met with the new Chief Financial Officer from Forest together with other senior managers. They had provided reassurances that recent news that the company had made 30 redundancies relating to the decision to refocus the business away from local authority work and focus instead on the green energy and new capital elements of the business. A successful refinancing package which relied upon long term and cost effective funding had been secured and it was understood that the credit rating of the company was likely to remain appropriate although this needed to continue to be monitored carefully;

iii) that members of the Committee felt strongly that partial completion of the project should not be accepted as it would be critical to ensure that the green energy system was integrated and work as a whole;

CEB/PM

iv) that although members acknowledged that a refusal to accept partial