

17/30 **Risk Management**

Received: a report by the University Secretary on risk items assigned to the Committee;

Noted: i) that the DEFRA Consultation on “Green BREXIT” included reference to

- ix) that the University's Chancellor, HRH the Princess Royal would be visiting the University on 2 May 2018- arrangements were in hand;
- x) that the Vice-Chancellor's discussions with the Worshipful Company of Farmers about a new Leadership programme focused on new technologies had been very positive. Industry funding was now being sought;
- xi) that colleagues at HAS in the Netherlands had suggested that they and Harper Adams might found an alliance of small specialist agri-food related institutions across the EU. This projects was welcomed by members and would be progressed; DGL
- xxi)

- v) that, as requested by the Committee at its January meeting, indicators had been updated to reflect the discussion on cash and surplus in particular. A net operating cash flow target of £5,000K, and a target of 4% for surplus before adjustments to pension provisions as a % on income excluding exceptional items were proposed. Staff costs as a % of income was also corrected to 55% (as this had been misstated as 50% on the ASSUR documentation earlier in the year);
- vi) that a review of available benchmarking data on administrative staff costs had been undertaken. This showed that the number of administrative staff per £M turnover remained appropriate and was less than the median when compared to similar sized HEIs;
- vii) that the FSSG comments on USS, while interesting, did not apply to Harper Adams as the University is not a member of USS. However the issues with USS and similar schemes may give an indication of possible future changes to schemes such as TPS and LGPS;

17/34 **Budget/Financial Planning**

Received: an oral report from the Director of Finance on budget preparations for 2018/19 and the likely timetable for preparation of the next five year forecast for the Board's consideration in July 2018;

- Noted:
- i) that budget meetings were proceeding to plan. Budget holders were very well aware of the need for efficiencies where ever possible, and an appropriate level of challenges was taking place during the process;
 - ii) that the Board was responsible for financial sustainability, and Finance and General Purposes Committee had a very key role in assuring the Board on this. The Committee considered detailed reports at each meeting, but in discussion members considered whether a more regular re-presentation of the five year forecast during the course of each year might be helpful, given the volatility of the market for students and other key factors such as consideration of strategic investments and their possible impact on longer term forecasts;
 - iii) that scenario planning and the identification and quantification of possible impacts of key risks such as tuition fee changes, loss of ISF funding, changes to pensions, staff costs etc. did take place, and provisions/adjustments to the five year forecast had been made each year to try and capture possible impacts of such issues based on the best available information. Members also felt that key risks and opportunities were discussed at each meeting of the Committee;
 - iv) that the FFSG paper considered earlier on the agenda had a useful summary of key areas for consideration in relation to sustainability. These were: Home/EU student recruitment; international student

staffing be approved, this would mean funding additional support staff costs; **LF**

- vi) that contingency planning in relation to short/medium and long term actions was another key area for discussion, along with key Strategic Projects such as the Vet School. Strategic Projects was already a standing item and it was noted that while the draft business case was not yet complete, the Steering Group leading on the project was very much alive to the financial sustainability issues. The working group established by the Board, would also be receiving regular updates on progress with financial planning, and the University's fine year forecast in July 2018 would necessarily need to reflect the best estimated position with regard to the veterinary school should the Board decide in April that the project should continue to the next phase; **PRM/LF**

Agreed: to discuss the actions highlighted above at the next meeting in June 2018 and to review the agenda layout to place starred items into a "Part B" as piloted at the Board, so that items for discussion (Part A) were given more prominence and further time/focus **SV/CEB**

17/35 **Financial Regulations**

Received: a report on the annual review of the Financial Regulations, including recommended changes to reflect regulatory and organisational changes over the past 12 months

Agreed: to approve the changes for recommendation to the Board **LF/CEB**

17/36 **Treasury Management**

Received: the annual report on Treasury Management

Noted: that no changes were proposed for 2018/19

Agreed: that Treasury management arrangements as set out in the paper be approved for a further year **LF**

Lead Governors on this area of work would be provided with copies of the reports; **CEB**

- iii) that it would be useful to include clearer reference to how the University was reducing its use of plastics in the ESS; **PM**
- iv) that PR would discuss with colleagues opportunities to undertake research around micro-plastics; **PRM**

17/39 **Cedar Energy Ltd**

Received: a report from the Director of Operations and Company Secretary;

- Noted:
- i) that prior to the Committee's meeting, members of the Committee had seen the live dashboard indicating energy production and were looking forward to the comprehensive tour in April prior to the Board meeting;
 - ii) that prolongation costs and loss of production time were impacting on the budget and forecast for the year for Cedar Energy. An operational meeting was planned for later in the week, at which Mr Thomas would be