

- the more recent enquiry led to the creation of facility at the Agri-Epi Hub, this may be preferable as the lead in time to setting up such a facility would be quicker, given that the University had already put in place all the necessary permissions for Agri-Epi

there would be no need to consider Charity commission related issues. There would however be a need to consider any planning related issues and also the practicality of supplying utilities. These aspects would need to be explored once further information was available.

18/43 **Vice-Chancellor's Report**

Received: an oral report from the Vice-Chancellor on recent developments of note;

Noted:

- i) that live applicants registered with the University at the current time were overall 14% ahead of the numbers at the same point in 2018. There were slightly less applicants in total, however the conversion rates and levels of acceptance were more positive compared to the previous year. As previously reported some subject areas and programmes were not as strong as others and this would continue to be monitored carefully;
- ii) that a major open day would take place on 15 June 2019. Including the special animals related open day which had been held recently, the number of individuals registered was 605 compared to 538 at the same point in 2018. Numbers included 43 expressions of interest in veterinary science and in addition 75 alumni would be attending the annual alumni open day

alongside subjects such as geography. Nevertheless the agri-skills initiative had around the same time been actively proposing that agriculture be formally recognised as a STEM subject;

- vi) that the Secretary of State had recently written to the OfS asking them to take particular account of degree standards, the elimination of essay mills and the oversight of unconditional offer making. A number of universities had received a letter directly from the Minister asking them to desist from making conditional unconditional offers. Harper Adams had not received a letter as it had not made unconditional offers in 2017/18. However some unconditional offers had been made for 2018/19 as previously discussed as it had become apparent that the ing agri-food courses. However none of the offers made had been subject to conditions and all such offers encourage students to make their decision once they had received all of their offers;
- vii) that the Access and Participation Plan 2020-2025, approved by the Chair of the Board acting under the delegated authority of the Board had been submitted to OfS. Initial feedback had been received in the last few days with a request for a response by the end of the week. The information requested was being put together and would be submitted later that day;
- viii) that the University continued to engage as closely as possible with the wider policy debates in the agri-food sector including BREXIT risks. The ned by the Minister at an artificial intelligence and technical forum in the last few days. There had also been an increasing focus by the Food & Drink sector Council about the importance of adoption of technology for agriculture in the future. The University felt that it was therefore particularly timely for it to launch its technology leadership programme in conjunction with the Worshipful Company of Farmers;
- ix) level. It was recognised as the top modern university in two of the national league tables and it was pleasing to see that although the Guardian continued to exclude small institutions from its main table it had included Harper Adams in its subject tables for agriculture and forestry where it ranked sixth overall compared to 11th in previous years. It was also particularly pleasing that for engineering, Harper Adams had moved up 21 places to 8th place for engineering programme. There are currently some areas of feedback from students in engineering which needed further focus and this was being dealt with at the current time;

- iv) OfS publications on Financial Sustainability of Providers in England- letter to Governing Bodies & Report published 4 April 2019
- v) an analysis by KPMG of the Financial Sustainability of the sector

Noted:

- i) that the budget for 2019/20 and the financial forecast had been put together based on the latest information available the previous week. The final capital budget estimate for the joint vet school development, which was an item later on the agenda, had not yet been factored in but would be before the final version is issued in the board papers. In addition to this Keele University had also advised of a slight change in annual USS costs for academic staff pensions in the JPS and therefore this would also be factored in;
- ii) that there had also been a detailed discussion at the recent Cedar Board meeting in relation to the run rate of the CHP engine. The budget had assumed 95% run rate whereas advice had been received from Bosch that suggested 85% run rate may be more resilient. Henry Gunn-Why would be raising this with Bosch with a view to ascertaining whether 90% run rate may be feasible as this would assist the business model. Further

taken steps to protect the marketing budget as it recognised how

- xii) that on reflection, the Chair and Vice-Chairs had agreed that it would not be helpful to introduce a new bonus scheme and potentially raise staff expectations when in reality it was already known that a payment would not be forthcoming for the current year. It was felt therefore that this could be an unhelpful message to staff, whereas the aim of considering staged payments had been to try and increase the possibility of a payment being made and therefore hopefully address the suggestion that the bonus scheme could be demotivating as well as motivating. Also needed to focus on the chair and Vice chairs had felt that it would be an appropriate time to suspend the bonus scheme and to return at a later point to consideration of reintroduction in 12 and to visit the possible phasing proposals at that point;
- xiii) that the financial forecast indicated a savings target of £270K. Vacancy

ensure it has details of such contractor insurances. This information would be secured from the successful tenderer. **JC**

- (iii) that having considered the cash flow projections, existing loan covenant forecasts that a fixed rate loan of £8m for the maximum period offered of 7 years should be recommended to Board. A loan of £8m should also provide some capacity to invest in student residences

UK are already non-British, there remained a strong demand for UK trained vets and for vets who would remain within the profession, as retention rates were problematic at the current time. The JVS sought to address retention by seeking to attract students with all round skills and sound practical acumen and not just academic excellence.

- That there may be an opportunity to increase intake numbers modestly from current projections after the first few years. However this needed to be carefully balanced against RCVS requirements and ensuring quality and student satisfaction. It was acknowledged that one Vet School now intended to take two intakes a year.

In summary, after a detailed and extensive discussion and scrutiny of the information provided to the Committee, members agreed:

- i) To agree, on the delegated authority of the Board, that the University may proceed to complete the tender process, taking into account the need for an uplifted budget of £10.2M, such that a contractor could be appointed on 14 June 2019, subject to a successful outcome of the final tender stage and that a contingency of £350K should be put in place as part of the £10.2M;
- ii) To recommend to the Board that a fixed rate loan of £8M be secured up to a maximum of seven years; **PN/LF**
- iii) To circulate the original business case paper that had been agreed by the Board to the new members of the Board for their information, with an offer of further discussion with the Chair if required. **MJL/PN**

18/46 Report from Cedar Energy Limited

Received: a report from the Director of Finance and the Estates Consultant

- Noted:
- i) that as noted in the discussion around the draft budget for 1920 and the financial forecast, performance of the CHP engine and its efficiency remained paramount to the business case. This was being worked on carefully with regular reports to Cedar Board;
 - ii) that Mr Thomas had noted in his comments on the agenda that the work being undertaken by Henry Gunn-Why to improve the infrastructure and efficiency of the system continue to be very important in this regard;
 - iii) that the University had claimed on the performance bond and a meeting with loss adjusters was due to take place in the next few weeks. The claim included costs for ensuring the system worked effectively which it was believed were legitimate as the contractors had not delivered the quality and efficiency as had been required. The costs of the engineering work undertaken by Henry Gunn-Why was therefore included in the claim and every effort would be made to recoup these costs in due course

18/47 Committees

- Received:
- i) the minutes of Health and Safety Committee held on 30 May 2019
 - ii) the minutes of the Farm Strategy Committee held on 23 May 2019

Noted: that members had no issues to raise with respect to the above minutes

18/48 Date of Next Meeting

7 November 2019

Part B

18/49 Risk Management

Received: a report by the University Secretary on risks monitored by the Committee.

Agreed: that the management of these risks remained appropriate.

18/50 Management Accounts

Received the Management Accounts for the period to 30 April 2019

Agreed: that members had no queries to raise on this occasion

18/51 Estate Developments plans for development of a revised Carbon Management Plan (CMP)

Received: a report by the Head of Estates and Facilities

Noted: that the plans for the revised CMP did not include proposals for reducing carbon relating to farming activities. This was be directly comparable to the plans being developed by other universities which focused solely on their estate for delivering learning and teaching/student residences. The University had established a number of years ago that other universities with farming activities did not include them in their estate statistics comparable with that of others as it was likely that future capital funding may relate to carbon reduction targets being met for the built environment. Nevertheless the University was well aware of the need for its farm to work on reducing carbon and this remained a key area of focus for the Farm Manager and his team and for the other farming activities managed by Academic Departments;

Agreed: that members were content with the report and with the proposals for revised CMP and had no issues to raise.