



# Buckinghamshire New University

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## Missenden Council

### Minutes

date: **5 February 2013**  
time: **4.00 pm**  
location: **Carrington Room, Missenden Abbey**

#### **Present:**

Christine Beasley (Chair)	Independent Council member
Antony Bellekom	Independent Council member
Antonia Byatt	Independent Council member
Ashley Coles	President, Students' Union
Baljit Dhillon	Independent Council Member
Ruth Farwell	Ex officio member and Vice Chancellor
David Griffiths	Independent Council member
Ian Hillan	Independent Council member
Michael Hipkins	Independent Council member
Julie Irwin	Senate Nomination
Sukhie Mattu	Elected Professional Services Employee
Hilary Mullen	Elected Academic Employee
Jenny Newton	Independent Council member
Keith Ryan	Independent Council member
Linsey Taylor	Elected Senate Member
Terri Teasdale	Independent Council member
Brian Tranter (Deputy Chair)	Independent Council member

#### **Officers:**

Ellie Smith	Clerk to the Council
Vanessa Pilon	Registrar (Governance)

#### **In attendance:**

Derek Godfrey	Deputy Vice Chancellor
John Cooper	Director of Finance
Shân Wareing	PVC Learning & Teaching
Ian Plover	Director of Faculty, DMM
Steve Dewhurst	Director of Business Planning

#### **Apologies:**

Lori Flynn	Independent Council member
Pauline Odulinski	Co-opted Council member
Simon Opie	Independent Council member
David Sines	Pro Vice Chancellor/Executive Dean, S&H

### **833 Chair's Welcome**

833.1 The Chair welcomed new elected Academic Staff Member Hilary Mullen and Senate Nomination Julie Irwin to their first meeting. In addition the Chair welcomed Shân Wareing, the new PVC Learning & Teaching to her first full meeting of Council.

### **834 Declaration of potential conflicts of interest**

834.1 No conflicts of interest were declared or identified.

### **835 Long Term Investment Plan: Contextual Information (Presentation)**

835.1 The Vice Chancellor reminded Council of the purpose, the goals and the strategic drivers underpinning the direction of the University. The latter included, having the right people, competent and motivated, promotion of employee well-being, prioritised and enhanced resources, targeted and high quality portfolio, the creation and maintenance of a physical environment which provides an improved student experience and delivering financial performance.

835.2 The Student Number Control (SNC) for 2013-14 has now been provisionally set by HEFCE at 1,535 and is 112 students down on 2012-13. This is as a result of the removal of the extra ABB+ students which lie outside the SNC for 2013-14 and it is anticipated the University will recruit these students' directly. However HEFCE have specified a tolerance range for next year in the SNC of between minus 5% to plus 3% which allows some flexibility in recruitment that was not available in 2012-13. The tolerance range for the University is therefore 1,458 to 1,579 full-time undergraduate students. Details of the current position of applicant numbers were provided and these were noted as higher than last year although the numbers varied by course and department. Additional resources were being put into obtaining early acceptances from applicants and this was showing an improvement compared with January 2012.

835.3 Performance ratings have been notified to the University recently for our London NHS contracts which show major improvements since last year to over 90% in all areas and 100% for Continuing Personal and Professional Development. It was agreed that the Chair would write congratulating the Faculty of S&H on this achievement and that the letter should be disseminated to all staff in the Faculty.

**(Action: Chair, Clerk)**

835.4 The long- and short-term risks to the University were outlined and included lack of sustainable income, low recruitment, failure to plan and react appropriately to changes in the market, failure to provide the right curricula, facilities and services as well as poorly motivated and managed staff.

835.5 Suggestions to mitigate and plan for the future included:

- Provide more teaching resources in some areas
- Find opportunities to make workloads more conducive to undertaking scholarship and research and engage in innovative practice
- Provide ambience/physical environment/space which is commensurate with good feeling
- Increase accessibility of physical/virtual resources
- Residential accommodation for all new full-time undergraduates
- Raise our game in teaching and learning, with supporting infrastructure and staff development
- Provide transparency about 'additional' course costs and wrap some up in fees
- Continue to look for opportunities to grow income

### **836 Financial Strategy with additional Risk Assessment and Scenarios (C/13/01)**

836.1 The report included potential scenarios together with how these projected forward to the financial forecasts cash flow and balance sheets for the projected plan period to 2020. How these translated into cash surpluses/meeting bank covenants or debt/breaching bank covenants as well as how these might affect cash surpluses in combination was also provided. These included:

- A cautious view with no activity or fee increases
- Manpower savings or not, fee increases or not
- Recruitment achievement in relation to SNC and income
- Grant income levels
- Uxbridge Lease – increase length and reduce operating costs
- Progression of TVTD and BEST – success or closure
- Different levels of capital expenditure in relation to recruitment
- Development and financing of student residences at Hughenden – owned/leased/capitalised
- Fee levels set beyond 2013-14

It was stressed that the University is in a position of substantial business stability but capital investment which improves student recruitment or increases income streams will leave the University less exposed to risk from outside forces.

The report concluded that capital investment had been low since the completion of the campus consolidation project and the cash balances were higher than were necessary for liquidity and contingency purposes. In addition capital investment that enhances the attractiveness of the University to prospective students or yields additional income would reduce rather than increase risk.

#### 836.2 Questions and discussions

The Director of Finance was congratulated by Council Members on the clear and detailed scenarios and proposals put forward for consideration. Comments and clarification were sought in the following areas:

- The apparent contradiction in manpower saving and enhanced teaching resources in some areas will depend generally on a decision regarding increased fees. However staffing rebalancing occurs all the time to allow for changes in the curriculum to reflect the course recruitment levels.
- Return on investments are low and capital might be more usefully spent maintaining and enhancing resources to improve the offer to students.
- The Government has not indicated plans to increase the top level fee of £9,000 but the University has the flexibility to increase fees up to that figure. Evidence suggests that students are not particularly influenced by the level of fees but are more interested in not having additional course costs. It is not known yet what other competitor institutions are doing in relation to increasing fees but the University will need to agree fees for 2014-15 at the March 2013 meeting.
- Although it was expected that retention rates would decrease as a result of substantial recruitment through clearing, retention rates remain at the same level currently as last year.
- Although there is expected to be a move towards more on-line and off campus learning by the end of the time period under discussion, these factors are being worked through now and have not been included in to these scenarios. It is thought that there will be a move in that direction but it is still thought that on campus teaching and social interaction will continue to be an important part of student life for some groups of students. We already cater for work based, local and part-time mature students, which is effectively the current equivalent of the possible future on-line learning market.
- The annual financial forecast for the next few years is due to be submitted to HEFCE in July 2013 and this will be based on the scenario that we consider the most likely going forward.

#### 837 **Long Term Investment Plan: Proposals for first stage investment (C/13/02 (a)) and Presentation**

##### 837.1 Approval for University Strategic Investment Plan: 2013 to 2018: Consultation Process

Outcomes of a review by SMT and consultations undertaken both with employees and students (the latter via the Students' Union Council and student consultation) were provided as follows:

- a) Colleague Consultations
  - Buildings & Property – new, reconfiguration, refurbishments and upgrades
  - Staff and Student Wellbeing
  - Aids to Learning
  - Systems & Processes

- Strategic Projects
  - Outside the long term investment plan improvements to support staff, ambience of current facilities and strategic projects
- b) Potential Investments against strategic drivers – detailed options were proposed within the headings detailed below:
- Investment to maintain campus and facilities to meet the current and future requirements of staff and students.
  - Investment to enable future growth
  - Investment to enable wider strategic goals of the University to be achieved
- c) Of the top 10 issues from Students' Union Council – December 2013 – the top three included:
- Removal of hidden course costs
  - Increased access to key facilities
  - Theatre/Performance space

#### 837.2 Approval for University Strategic Investment Plan (C/13/02 (b))

Council were invited to review the following:

- The overall scope of the proposed University Investment Plan 2013-2018
- Approve the phase 1 elements of the plan
- Agree the approach for determining the Phase 2 elements of the plan

These included options relating to student accommodation, improvements at Uxbridge to include improved use of space, IT, Teaching and sustainability, improvements at High Wycombe to include, the Gateway, North, East and South Wing as well as additional facilities. Proposals for strategic projects and ambience projects were also included.

The University's senior management team recommended the following approach to Council to support these projects from the £16m potential investment fund:

- Hughenden Student Village: Proposed approach detailed in a separate Council paper (below)
- Brook Street: Upgrade toilets and showers and remedial work at a cost of £0.5m
- South Wing: undertake cladding, replacement windows, enabling works and refurbish top floor for potential future Health based contracts and providing a flexible learning and teaching floor at a cost of £4.5m.
- Sustainable Investment Fund: Increase budget of fund from £1.5m to £2m for two years to cover projects on enhancing the Uxbridge Campus, providing ambience improvements, improving staff and student wellbeing, delivering On-line presence capability, improving the robustness of our IT capability and putting in place a programme of management resource.
- Agree that the Phase 2 element of the University Investment Plan 2013 to 2018 is reviewed by Council at its October 2013 meeting which might include the purchase of and/or joint development of land surrounding the University.

#### 837.3 Hughenden Student Residences

The current capacity in relation to student accommodation was clearly shown including number of rooms both in halls and the private rented sector and the financing of such accommodation. It was noted that the University was unable to offer all first year FTUG students a place in University accommodation. Considerable research and negotiation had been undertaken and five proposals were put forward for the University Council to consider. These included:

- Accept the accommodation at it stands which falls short of the ideal
- Invest £5m via CSV and deliver 108 extra rooms (Two further blocks)
- Continue advance discussions with another investor to sell and leaseback the Hughenden commitment and provide 180 new rooms (three further blocks). This would require consent from both HEFCE and the Banks as well as discussions with the External Auditors
- An expression of interest has been received from a management company to manage the student residences as part of their business activities
- Use the University cash balances and obtain further borrowing to take over the CSV structure and build the extra rooms. This would also require HEFCE and Bank approval
- Noted that planning consent includes a further 250 rooms and a social space

It was noted that clarification of all the options above should be possible by the March meeting of Council and Members were asked to discuss and provide a view of the current options.

837.4 Comments and clarification were sought in relation to the potential phase one spend proposals put forward:

- The proposed budgets are as robust as possible at this stage of the development plan.
- The sustainable infrastructure budget used over the last few years has only been able to maintain the buildings at the existing level. In order to move the University on to improving current facilities and keeping them up-to-date as well as attractive to students requires a significant additional capital expenditure.
- The project management resource is only to manage the small sustainable infrastructure projects, the costs of the South Wing refurbishment includes both the planning, architectural and project management costs as well as the work itself.
- It was explained that the sale and leaseback route for Hughenden Student Village (HSV) would be a commercial lease over the University preferred period of 30 years.
- Building the additional 250 rooms would be too risky now but this should be looked at again in two to three years time when, hopefully, the number of students recruited had stabilised

837.5 Members supported and approved the proposals put forward for further development with certain caveats as follows:

Project 1: Reject the 'do nothing' option and continue to explore the further development of the HSV by investing £5m in CSV and building 108 rooms or a sale and leaseback arrangement with Legal & General with the building of 180 rooms  
**Present finalised proposal re: financing option to March 18 Council meeting**

Project 2: Phase 1 refurbishment of Brook Street Residences  
**Approved**

Project 3: Phase 1 refurbishment of South Wing  
**Approved**

Project 4: Enhancement of the Uxbridge Campus  
**Approved**

Project 5: Ambience Improvement  
**Approved with the exception of the Rose Garden proposal**  
With respect to the Rose Garden members asked that further information be provided in relation to putting a roof on the space and using it for graduation/exhibitions/performance to be reported to the 18 March 2013 meeting. This should include potential costs.

Project 6: First stage of the Staff and Student well-being project for both High Wycombe and Uxbridge  
**Approved**

Project 7: On-line presence – 3<sup>rd</sup> campus – continued enhancement of the website and overall on-line capacity using additional resource  
**Approved**

Project 8: IT Infrastructure: Develop a partnership to provide cloud based managed services for the full range of IT application and services (web, e-mail, data centre and virtual desktop)  
**Approved**

A Programme Office to oversee the delivery of these and other projects was also **approved**.

The costs of these projects would be in total £6m together with the costs for the development of additional student accommodation at HSV. The costs of projects 4-8 together with those for project management, estimated at £1m of the £6m, would be covered by increasing the annual Sustainable Infrastructure fund from its current level at £1.5m to £2m.

**(Action: SMT to progress as appropriate)**

**838 Update on Buckinghamshire Education, Skills and Training (BEST) following the Board meeting of 30 January 2013 (Presentation)**

- 838.1 The company set up is now in its advanced stages with the appointment of Ruth Farwell as CEO as well as the appointment of Simon Opie, Brian Tranter and Michael Hipkins and four Aylesbury Corporation members to the Board until September 2013. The Memorandum and Articles of Association are in an advanced draft stage, HEFCE has reviewed and is content with the proposals although approval from the Charity Commission for HEFCE to be the regulator has not yet been received. The initial investment has been confirmed at a level lower than previously considered at £300k in total in the proportion of 4:1 (University:Aylesbury Corporation)
- 838.2 The purpose and goals of this new subsidiary company were provided together with how they related to Thames Valley Training & Development. The income plan over the strategic plan period was also provided and it was noted that a cautious approach had been made to this. The initial projects were shown in the areas of International Growth, Sports Officiating, Health and Social Care as well as potential new projects with Taylor Wimpey and the Arla workforce. Other companies were also making enquiries for workforce training to be undertaken within the construction industry. The appointment of an International Director to improve recruitment and increase growth in that arena was noted.
- 838.3 It was reported that the University and Aylesbury College had been approached by Aylesbury Vale District Council (AVDC) as the preferred partner in a development alongside the Waterside Theatre in Aylesbury as part of a town centre redevelopment project which already has planning consent. The proposals which would be presented in full detail at a meeting on 14 February 2013 at the Waterside Theatre in Aylesbury, were for the University and College, possibly through BEST, to commit to leasing the top three floors for their training needs (this amounted to 40,000 sq ft) with the ground floor leased by AVDC for retail/restaurants. Parking would be provided as part of the project. This meeting has been arranged for AVDC Officers to present a case for investment in this project to the University Council and Aylesbury Corporation Members. The architect's image of the building was shown. This would be a signature building in the centre of Aylesbury and could provide the type of accommodation, conveniently located, for employer training needs for mature and professional students. It was stressed that this was outside the capital projects discussed earlier in the meeting.

AVDC are looking for a major partner to agree to lease the building which AVDC would then finance through a loan and it would provide the University and Aylesbury College with the base to supply all the professional educational and training needs of the town and the surrounding area. The anticipated annual lease cost, which includes capital repayment of £900,000, was considered and it was thought that this was good and lower than commercial rates. The proposal is that although BEST would have the Head Lease, AVDC would have a sub lease for the ground floor rental for restaurant occupancy which would be rented separately. The anticipated income was considered.

Aylesbury Corporation has already identified that with the building of the University Technical College on their site in Aylesbury they would have insufficient space to provide for the building of a Higher Education Centre and a Business Innovation Centre which were both part of their original Integrated Learning Campus. The Business Case for BEST includes accommodation costs and whilst, at this stage in the development of BEST, it had not been anticipated that accommodation of this size would be considered, the Waterside development would be an opportunity to provide high profile, high quality training accommodation in a very central location. This could be used for other projects, for example, extending NHS contracts into the North Bucks area and training in assisted living.

Following detailed questions it was agreed that a full business case be prepared for the proposal to commit to the provision of accommodation at the Waterside development in Aylesbury for consideration at the March 18 meeting of Council and as many Members as possible were asked to attend the presentation in Aylesbury.

**(Action: BEST Board, SMT, Director of Finance)**

**839 Round up and next steps**

Recommendations for the approval of the projects discussed previously with further detailed reports to be prepared for the March meeting of Council as follow:

- a) Further detailed information to be provided regarding the provision of additional student accommodation at the Hughenden Student Village.
- b) A full Business Case to be prepared for the proposed commitment to the AVDC project to build the Waterside Development in Aylesbury.

**840 Date of next meeting**

840.1 The next meeting of Council is scheduled to take place on Monday 18 March 2013, commencing at 4.00 in room 3.07 at Uxbridge

The meeting started at 4.00pm and finished at 6.35pm.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
(Chair of Council)

Prepared by: Registrar (Governance) – 8 February 2013  
Checked by: Clerk to the Council – 14 February 2013  
Confirmed by: Vice Chancellor – 18 February 2013  
Confirmed by: The Chair – 1 March 2013