

# MINUTES

## SUSTAINABILITY AND RESOURCES COMMITTEE

<b>Date:</b>	Tues 19 March 2019	<b>Time:</b>	1600 (refreshments from 1530)
<b>Location:</b>	Boardroom, University House, Leek Road Campus		

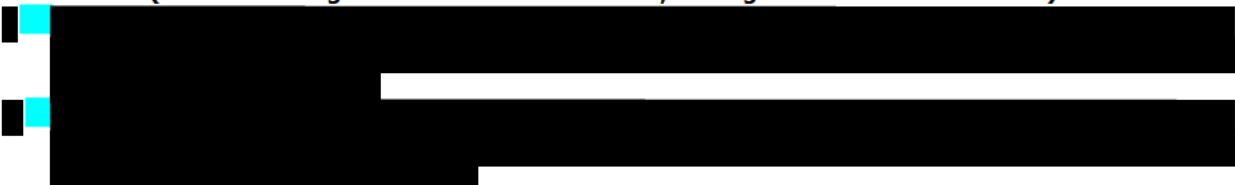


### Notes:

1. This Agenda is divided into three headings: Estates; Financials; and Human Resources / Employment. Each of these headings has a section 2 (For Discussion and/or Approval) and a section 3 (For Information).
2. Items marked with an asterisk (starred items) are for information only or regarded as noncontentious. Starred items will not be discussed and will be assumed to have been noted or approved unless a request to unstar a named item is received from a Board member in advance, or at the commencement, of the meeting.
3. Items classified as Confidential, and their subsequent minutes, will be redacted before publication of the agenda and minutes on the University's public website.

Members		
Professor Liz Barnes	Vice Chancellor	P
David Gage	External Member	P
John Henderson (Deputy Chair)	External Member	T
Mike Herbert	External Member	P
Scott William-Smith	Vice President, Students Union	A
Sarah Tudor	Professional Support Staff Representative	P
Jonathan Vardon (Chair)	External Member	P
In attendance		
Ian Blachford	Chief Operating Officer and Clerk to the Board of Governors	IA
Alan Charters	Project Director, Catalyst Build ( <i>for item 186</i> )	IA
Tash Crump	President, Students' Union (representing Scott William-Smith)	IA
Professor Martin Jones	Deputy Vice Chancellor	IA
Unjulee Karadia	Mace ( <i>for item 186</i> )	IA
Hugo Marrack	Feilden Clegg Bradley ( <i>for item 186</i> )	IA
Sue Reece	Pro Vice Chancellor – Student Experience	IA
Lauren Rooke	Assistant Clerk to the Board of Governors (minutes)	IA
Adrian Rowlands	Director of Estates & Commercial Services ( <i>up to and incl item 191</i> )	IA
Pascale Vermassen	Acting Director of Finance	IA



P = Present; T = via telephone; A = Apologies; IA = In Attendance

1 MEETING MANAGEMENT	
181	<b>Apologies for Absence</b> were received from Scott William-Smith.
182	There were no new <b>Declarations of Interest</b> .
183	<b>The Minutes of the last meeting of the Committee</b> , 06 Nov 2018 SR/08/01 were signed as a true and accurate record.

184	<p><b>Matters arising:</b></p> <ul style="list-style-type: none"> <li>• <b>Minute 160 (Matters arising – Min 74 ctd. S&amp;RC Part B, arising from BofG Minute 2372)</b>  </li> <li>• <b>Minute 162 – Smart Technology Business Case (outstanding costs) –</b> </li> <li>• <b>Minute 2488 (BofG) – Campus Masterplan:</b>  </li> <li>• <b>Minute 161 – Catalyst project</b> – It was noted that a call had taken place with OfS, who had confirmed that there was no risk to funding as a result of the project delays. Sarah Tudor confirmed that following some delays with West Midlands Police’s workforce planning, the University was very close to signing the police apprenticeships contract.</li> </ul>
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**ESTATES AND INFRASTRUCTURE (E)**

**E2 FOR DISCUSSION AND/OR APPROVAL (marked below accordingly)**

185	<p>The committee received for discussion an update on the position with <b>District Heat Network (DISCUSSION)</b> SR/08/02, introduced by the Deputy Vice Chancellor, who noted the following main points:</p> <ul style="list-style-type: none"> <li>• Stoke-on-Trent City Council was installing a District Heat Network (DHN) which was intended to be linked into a geothermal heat source. The Council was proposing that the University connected to the network to receive heat which would deliver benefits in terms of lower energy costs, reduced carbon emissions and lower maintenance costs.</li> <li>• However, there were risks associated with the proposal including commitment to a long-term contract and capital investment required to facilitate the scheme. The report provided details of the DHN and the potential benefits and risks of the University connecting to the network.</li> </ul>  <p>Members commented as follows:</p>  <ul style="list-style-type: none"> <li>• It was noted that the committee were fully supportive of the Executive team’s decision not to commit at this stage and to defer a decision.</li> </ul>
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186	<p>The committee received the following reports relating to the <b>Catalyst Building (DISCUSSION)</b>:</p> <p>i) <b>Project Update</b> SR/08/03, introduced by the Project Director, Catalyst Build, who noted the following principle points:</p> <ul style="list-style-type: none"> <li>• Key achievements since the last update (to the Board in November 2018) were as follows: <ul style="list-style-type: none"> <li>○ As reported in November, roosting bats had been discovered in the existing building and demolition operations had been suspended. Before leaving site, the demolition contractor undertook the removal of internal services; removal of false ceilings and internal partition; completed the site hoarding securing the site and handed the building back to Staffordshire University.</li> </ul> </li> </ul>
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- The Project Director had met with Stoke-on-Trent City Council (SoTCC) planning officers to agree the process to secure the bat mitigation licence and a conditional planning approval such that demolition work will be able to recommence in November and the planning permission available to match the procurement process. (Prior to this SoTCC were advocating that planning permission could not be granted until the bat mitigation licence was secured, which would seriously jeopardise the programme). There was now a detailed programme which dealt with both these items and was being carefully monitored.
- A revised programme had been produced delivering the Catalyst Building by August 2021, which enabled more time for detailed stakeholder engagement for the internal design and how the building would be used; the design to be de-risked to the extent that the contract will be placed on a RIBA Stage 4 design (full-design); and a single contract for the shell/core and fit-out, therefore mitigating some of the extra costs detailed below. Discussions had been held with the Office for Students and the funding was still secure.
- Stakeholder engagement to determine the internal design was ongoing; Stage 3 design had been signed off in February 2019 and Stage 4 would begin in March 2019.
- A consultant to support the Digital infrastructure had been appointed.
- A paper to propose the inclusion of a mezzanine floor was included as a further agenda item.

[REDACTED]

- The project team would regularly report progress of achievement against these savings and seek University instructions as necessary. Upon finalising the available savings in the above glide path, the design team believed a build cost of £41m was achievable based upon the current proposed level of quality, and formal approval of additional funding for the mezzanine.

Members commented as follows:

[REDACTED]

- Mike Herbert asked for clarification that by the time the fit-out went to tender, the design development would be confirmed to as great an extent as possible, and Alan Charters confirmed that this was the case.
- David Gage asked about visible University branding on the Catalyst building and Hugo Marrack clarified that there was discussion to be had around elements of sculptural wayfinding, as well as digital signage throughout the campus masterplan.

ii) **Mezzanine Inclusion** SR/08/04 - Hugo Marrack provided context for the paper by talking the committee through the current version of the sketchbook, noting that FCB had been working extensively with stakeholders. The following main points were noted:

- During the design development stage, the Project Team and University stakeholders had visited a variety of precedent buildings to see examples of good practice. A number of the buildings had 1.5 storey height at the ground floor (as had the Catalyst Building) and within key/effective areas a mezzanine had been introduced. In considering what had been seen and learnt, Feilden Clegg Bradley Studios had introduced the possible inclusion of a mezzanine in key areas of the ground floor (sketchbook 15).

- This proposal was supported by the Executive Team and the Catalyst Fund Project Board. (On a monthly basis the Executive-led Project Board received a budget update from MACE as Project Managers & Quantity Surveyors which was robustly scrutinised and carefully monitored.) Budget & contingency positions were shown in the report.

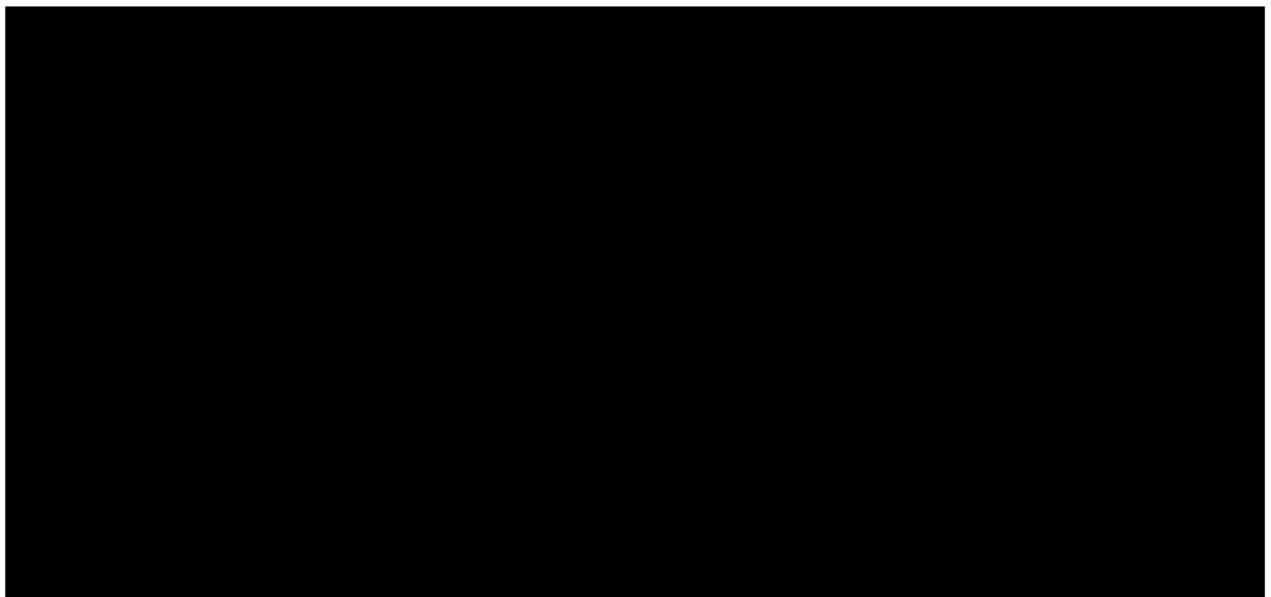
Members commented as follows:

- Tash Crump commended the revised design elements but noted potential student concern around the increase in budget. Alan Charters clarified that the proposed mezzanine represented excellent value for money for the University and therefore for the students. Sue Reece further noted that she and Tash Crump had clarified at a recent meeting with students that part of the funding for the building was external.

The committee approved the proposal for the inclusion of a mezzanine in the Catalyst building and the assigned additional cost of £1million, which would be referred to the Board for formal approval.

187

[Redacted content]



**E3 FOR INFORMATION**

188 The committee received the **\*Compliance/Maintenance Update\*** SR/08/06 for information.

Members commented as follows:

- David Gage asked about assurance around Estates compliance and maintenance. Adrian Rowlands clarified that a new system (Alucmus) for monitoring compliance within Estates was now in place, which would provide alerts in the event of any outstanding compliance matters. Ian Blachford further noted that Audit and Risk Committee had agreed that an Estates Compliance audit would remain on the audit plan annually (the scoping meeting had already taken place for this year’s audit). With regard to assurance around maintenance, Liz Barnes proposed that the committee received an annual report on maintenance issues.

189 The committee received the **Public Interest Disclosure Update** SR/08/07 for information, introduced by the Chief Operating Officer, who highlighted that the outcome of the investigation would come back to this committee, as well as to Audit and Risk Committee.

190 The committee received the **Staffordshire Fire Service Inspection** SR/08/08 for information.

Members commented as follows:

- Jonathan Vardon enquired about fire alarm audibility, reiterating the importance of the alarm being clearly heard throughout campus, and Adrian Rowlands confirmed that further risk assessment would be carried out on this in time for the next meeting.

191 The committee received the **UUK/GuildHE Code of Management for Student Housing Compliance Review** SR/08/09 for information.

Members commented as follows:

- David Gage enquired about the frequency of this report (and of the Fire Safety Report) and Ian Blachford clarified that whilst the housing compliance review was always done annually, it was not usually done as part of the annual internal audit plan. This had changed this year and had therefore been brought to Audit and Risk Committee and subsequently referred through to this committee. The fire safety report was a specific piece of work that had been commissioned prior to the new Head of Health and Safety taking up position in 2017. Liz Barnes proposed that a full schedule of the regular reports for this committee be developed.



**FINANCIALS (F)**

**F2 FOR DISCUSSION AND/OR APPROVAL (marked below accordingly)**

192 The committee received the **Student Numbers: In-Year Update (DISCUSSION)** SR/08/10, introduced by the Pro Vice Chancellor - Student Experience, who noted the following main points:

[Redacted]

[Redacted]

- Strategy and Performance Committee had received a related report on undergraduate **student retention** at its meeting on 26 February 2019. This report detailed retention of full-time undergraduate students taught both at the University and those studying with partners, because both groups of students were counted in national league tables. At the end of semester one, the retention rate was comparable to performance at the same time last year. Seven departments had improved performance year-on-year. Changes to the Academic Regulations were made in July 2019 to offer new opportunities for student to retrieve failure by restudying the year in full and therefore drawing-down a student loan. There were currently 96 students registered undertaking this new re-study opportunity who would have formerly been among the dormant student population. 89 of these were studying full-time, paying full fees for the year. This had positively impacted the number of continuing students (see below and overleaf).

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Members commented as follows:

[Redacted]

[Redacted]

[Redacted]



It was agreed that the Student Numbers: In Year Update Update would be referred to the Board for noting.

**F3 FOR INFORMATION**

193 [Redacted]

[Redacted]

[Redacted]

	 <p>Members commented as follows:</p> <ul style="list-style-type: none"> <li>• David Gage noted that costs for the School of Creative Arts and Engineering (CAE) appeared proportionally considerably higher than for other schools. Pascale Vermassen clarified that CAE's higher proportion of UK partnerships meant a lower margin, and that the significant costs around the Engineering provision, a reduction in student numbers, and a delayed School restructuring had also contributed. Martin Jones highlighted that income growth was critical across the University and Sue Reece echoed that this had been strongly emphasised to all schools in QBRs.</li> <li>• Jonathan Vardon asked about clarification on the scale of the risks and opportunities referenced in the table on page 12 of the Management Accounts and Pascale Vermassen clarified that an exercise was currently underway on this.</li> <li>• Jonathan Vardon enquired about an update on the financial position with partnerships and Ian Blachford proposed that this be brought to Board in April (noting that the Sept meeting would see the annual Collaborative Partnerships Register).</li> </ul>
194	<p><b>*Treasury Management Report*</b> SR/08/12 was received for information.</p> <p>Members commented as follows:</p> <ul style="list-style-type: none"> <li>• David Gage enquired about breaches to the Lloyds Bank investment limit, and Pascale Vermassen confirmed that this would be investigated so that the issue did not reoccur.</li> </ul>
<b>HUMAN RESOURCES/EMPLOYMENT (H)</b>	
<b>H2 FOR DISCUSSION AND/OR APPROVAL (marked below accordingly)</b>	
195	<p>The committee received a <b>Pensions Update (DISCUSSION)</b> SR/08/13, introduced by the Chief Operating Officer, who noted the following main points:</p> <ul style="list-style-type: none"> <li>• During February 2019, the Government had launched a consultation on the planned changes to the costs of the Teachers' pension Scheme, with a specific focus on the transitional arrangements in place for schools and colleges. Views had been sought on this approach. The University had responded to this consultation, in conjunction with MillionPlus, who had formed a working group on this matter. It was not expected that the Government would move from its current position and therefore the University was budgeting for an uplift in TPS employers' costs of ca. £1.5m from September 2019.</li> </ul>  <p>There were no comments from Members.</p> <p>It was agreed that the Pensions Update would be referred to the Board for noting.</p>
<b>H3 FOR INFORMATION</b>	
196	<p>The committee received the <b>*Restructuring Update*</b> SR/08/14 for information.</p> <p>Members commented as follows:</p>

	<ul style="list-style-type: none"> <li>• Martin Jones commended the restructuring process that had taken place over recent months, and David Gage echoed this.</li> <li>• Tash Crump underlined the importance of appropriate terminology in this regard and Liz Barnes confirmed that it had been agreed that the term "restructure" was not reflective of the almost-constant need to review staffing and resource levels, and would be avoided in future.</li> </ul>
197	The committee received the <b>*Human Resources &amp; Organisational Development Annual Report 2017/18*</b> SR/08/15 for information.
198	<p>The committee received the <b>*Equality, Diversity and Inclusion Annual Report 2017/18*</b> SR/08/16 for information.</p> <p>Members commented as follows:</p> <ul style="list-style-type: none"> <li>• Liz Barnes proposed that it would be helpful for the committee to focus on this report in more depth in future. Sarah Tudor echoed this, underlining that progress on the staff-related Supporting Strategies was crucial in order to support the top-level KPIs.</li> <li>• Jonathan Vardon underlined the importance of measuring impact in this area and Ian Blachford clarified that there would be more focus on this in future reports.</li> </ul>
199	The committee received the <b>Cost of Living Pay Award Negotiations</b> SR/08/17 for information.
<b>4 ADDITIONAL MATTERS</b>	
200	<b>There were no additional matters.</b>
201	<p><b>Items to be referred to Audit and Risk Committee:</b></p> <p>NONE</p>
202	<p><b>Items to be referred to Board of Governors:</b></p> <p>For approval</p> <p>a) <b>Minute 186</b> – Catalyst Update - Mezzanine Inclusion</p> <p>For information</p> <p>b) <b>Minute 187</b> - London Provision Update</p> <p>c) <b>Minute 192</b> – Student Numbers: In-Year Update</p> <p>d) <b>Minute 195</b> - Pensions Update</p>
203	<b>Next meeting:</b> Tuesday 21 May 2019 (Boardroom, University House)