

**FINANCE AND INVESTMENT COMMITTEE
13 November 2017**

DRAFT UNCONFIRMED MINUTES

Present:

Luke Savage (Chair) Professor Colin Bailey Dr Véronique Bouchet

In attendance:

Graeme Brown [minute
2017:32] Kathryn English Laura Gibbs
Joanne Jones Dr Nadine Lewycky Sian Marshall
Jonathan Morgan Ted Webster [minute
2017:032]

Apologies:

Dean Curtis David Russell Mike Sheppard
John Yard

Part 1: Preliminary Items

Welcome and opening remarks

2017.019 The Chair **said** that following Ted Webster's resignation as a co-opted member of the Committee he was exploring options for the recruitment of a co-opted member with a financial background in property development.

Minutes, Confidential Minutes and Executive Summary of Meeting on 26 September 2017 [FIC17/13]

2017.020 The Committee **confirmed** the non-confidential minutes, confidential minutes and executive summary of the meeting held on 26 September 2017.

Matters arising [FIC17/14]

2017.021 The Committee **noted** the matters arising from the minutes of the previous meeting.

Part 2: Financial Performance

Current financial position [FIC17/15]

2017.022 *Minute 2017.022 is confidential.*

Financial capital report [FIC17/16]

2017.023 The Committee **received** the period 2 financial capital report. The following points were noted in discussion:

[a] *Minute 2017.023a is confidential.*

[b] The Committee **agreed** that in future it should be provided with only a high-level overview of capital projects, rather than the detailed data currently provided. Further detail on capital projects would be provided by exception only.

Action: [b] Finance Director

Draft Financial Statements 2016–17 [FIC17/17]

2017.024 The Committee **received** the draft Financial Statements for 2016–17 and **noted** that the description of the responsibilities of the Committee within the statement of corporate governance and internal control would be reviewed to ensure alignment with the Committee’s revised terms of reference.

Action: Council Secretariat

Draft financial results analysis 2016–17 [FIC17/18]

2017.025 The Committee **received** the draft financial results analysis for 2016–17. The following points were noted in discussion:

[a] There were a relatively small number of adjustments made after the period 12 management accounts were issued, these were in relation to subsidiaries and pension liabilities.

[b] The reconciliation to the forecast submitted to HEFCE in July 2017 would be submitted to HEFCE by 01 December 2017 as part of the Annual Accountability Return.

[c] The Committee commended the Finance Director and her team on the very low level of adjustment needed between management and financial accounts.

Part 3: Strategic Investment

10 year Estates and Facilities capital framework [FIC17/19]

2017.026 The Committee **received** the 10 year Estates and Facilities capital framework. The following points were noted in discussion:

[a] The capital framework had been updated to take account of the slippage on projects from 2016–17, the signing of a letter of intent for Life Sciences, inflation, and a number of projects awaiting a business case or that would only be undertaken if externally funded or if additional borrowing was secured.

[b] The framework would enable any new projects to be considered alongside those that had already been prioritised. It was noted, for example, that the requirement for new accommodation for the School of Business Management had been put in fourth place in the prioritisation exercise

undertaken two years ago, and had moved to first place in the prioritisation exercise earlier this year.

[c] A similar prioritisation exercise had been undertaken for IT projects and a framework would be developed in due course.

[d] *Minute 2017.026[d] is confidential.*

Residences update [FIC17/19a]

2017.027 *Minute 2017.027 is confidential.*

Life Sciences update [oral report]

2017.028 *Minute 2017.028 is confidential.*

New undergraduate teaching and learning and School of Business Management: case for investment [FIC17/20]

2017.029 *Minute 2017.029 is confidential.*

Budget principles and approach [FIC17/21]

2017.030 The Committee **received** a paper on the budget planning assumptions for 2018–19. The following points were noted in discussion:

[a] *Minute 2017.030[a] is confidential.*

[b] A template for assessing faculty and Professional Services (PS) assumptions was being developed and meetings would also be held with faculties prior to sign off student number targets. These initiatives were intended to provide confidence in QMUL's ability to achieve the 2018–19 budget.

[c] *Minute 2017.030[c] is confidential.*

[d] The Finance Director was working with the Strategic Planning Directorate to consider options for incentivising staff to meet targets in time for the next year's budget round. Budget holders had not always been held strongly to account in the past, but additional investment would no longer be made into areas that did not perform against target.

[e] Members **agreed** that it would be helpful in future to review trends in QMUL costs relative to benchmarking data in order to assess QMUL's performance.

Action: [e] Finance Director, Chief Operating Officer

Update on borrowing [FIC17/22]

2017.031 *Minute 2017.031 is confidential.*

Part 4: Other Matters for Report

QMI annual report [FIC17/23]

2017.032 *Minute 2017.032 is confidential.*

Subsidiary & associated companies: financial performance 2016–17 [FIC17/24]

2017.033 *Minute 2017.033 is confidential.*

Committee effectiveness review [FIC17/25]

2017.034 The Committee **received** the Committee effectiveness review and **noted** that the revisions to the Committee's Terms of Reference and the streamlining of papers were intended to improve clarity in the separation of executive and non-executive responsibilities. The Chair encouraged QMSE members to comment if they felt the Committee was acting outside of its remit.

Draft agenda for next meeting [FIC17/12]

2017.035 The Committee **received** the draft agenda for the next meeting on 13 March 2018.

Meetings in 2017–18

- Tuesday 13 March 2018 at 1530 hours, Robert Tong Room
- Tuesday 19 June 2018 at 1530 hours, Robert Tong Room