

FINANCE AND INVESTMENT COMMITTEE
06 June 2017

DRAFT UNCONFIRMED MINUTES

Present:

Simon Linnett (Chairman)
David Russell
John Yard

Dr Veronique Bouchet
Luke Savage

Professor Simon Gaskell
Ted Webster

In attendance:

Laura Gibbs
Jonathan Morgan

Joanne Jones
Professor Bill Spence
[minute 2016.076]

Sian Marshall

Apologies:

Mike Sheppard

Part 1: Preliminary Items

Welcome and opening remarks

2016.070 The Chairman welcomed Sian Marshall to her first meeting of the Committee since returning from maternity leave.

Minutes, Confidential Minutes and Executive Summary of Meeting on 20 April 2017 [FIC16/48]

2016.071 The Committee **confirmed** the non-confidential minutes, confidential minutes and executive summary of the meeting held on 20 April 2017, and requested the following amendments:

[a] The revision of minutes 2016.067d to h to ensure clarity regarding the cash generation budget for 2017–18.

[b] The correction of a typographical error in minute 2016.069a.

Matters arising [FIC16/58]

2016.072 The Committee received the matters arising from the minutes of the previous meeting. The following matters were covered:

2017–18 Budget and draft financial forecasts to 2019–20

[a] The Finance Director was planning to report to QMSE in September or October 2017 on the initial work being taken forward to review QMUL's appetite for borrowing and debt. The Committee would receive an update on this work at its meeting in November.

HEFCE recurrent grant allocation

[b] *Minute 2016.072[b] is confidential.*

[c] *Minute 2016.072[c] is confidential.*

Action:

Finance Director: [a]

Part 2: Financial Performance

Current financial position – period 9 [FIC16/59]

2016.073 *Minute 2016.073 is confidential.*

Financial capital report – period 9 [FIC16/60]

2016.074 The Committee **received** the financial capital report at 30 April 2017. The following points were noted in discussion:

[a] *Minute 2016.074[a] is confidential.*

[b] The Director of Estates and Facilities was working with members of staff to address underperformance in the delivery of estates projects through improved planning, particularly in relation to long-term maintenance work. The recruitment and retention of high quality project managers was a sector-wide challenge, which had impacted on the capital programme. Staff had worked hard to facilitate better relationships between Estates and Facilities, Finance and IT Services, which was expected to deliver improved forecasting in future.

[c] The slippage on IT projects was attributable in part to issues with project planning and the gap in leadership of the Directorate. The Schools Application Migration project had been postponed pending review by the incoming Chief Information Officer.

[d] The issue of cyber security following the recent cyber-attack that had affected Barts Health NHS Trust had been managed well and a report had been provided to Audit and Risk Committee.

Costs benchmarking

- **Uniform benchmarking data [FIC16/61]**

2016.075 *Minute 2016.075 is confidential.*

- **TRAC benchmarking data 2015–16 [FIC16/62]**

2016.076 *Minute 2016.076 is confidential.*

Research grants and contracts mid-year report [FIC16/63]

2016.077 The Committee **received** the research grants and contracts mid-year report. The following points were made:

[a] The external environment for research grant and contract funding continued to be characterised by an increasing concentration of funds into large-scale collaborative programmes and initiatives with demonstrable economic and social benefits, such as the Global Challenges Research Fund and the Industrial Strategy Challenge Fund. This approach was mainly benefiting the largest institutions, with Oxford, UCL and Cambridge significantly increasing their market share. QMUL had therefore done well to maintain its share of funding in this environment.

[b] *Minute 2016.077[b] is confidential.*

[c] *Minute 2016.077[c] is confidential.*

[d] Early indications suggested that the pilot match-funding scheme in the Faculty of Science and Engineering had been a success; 28% of applications had been successful and over half were still in progress. The Committee requested that a cost benefit analysis of the scheme be provided.

[e] The Committee thanked the Vice-Principal (Research) for the comprehensive report and commended the performance in this area.

Action:

Vice-Principal (Research): [d]

Review of subsidiary and associated companies [FIC16/64]

2016.078 The Committee **received** a report on the review of subsidiary and associated companies. The following points were made by the Finance Director:

[a] A review of QMUL's subsidiary companies had been initiated and would be completed by the end of the academic year.

[b] *Minute 2016.078[b] is confidential.*

[c] *Minute 2016.078[c] is confidential.*

Part 3: Financial Strategy and Policy

HEFCE Annual Accountability Return: Financial Forecast Tables to 2019–20 [FIC16/65]

2016.079 *Minute 2016.079 is confidential.*

Part 4: Capital Projects and Estates

Estates Capital Framework and 2017–18 Prioritisation [FIC16/66]

2016.080 The Committee **noted** the Estates Capital Framework and **approved** the 2017–18 prioritisation plan. The following points were noted in discussion:

[a] *Minute 2016.080[a] is confidential.*

[b] *Minute 2016.080[b] is confidential.*

[c] The development of the plan had identified a need to take a longer-term (three-year) view of the capital programme; the initiation of many projects required the commitment of funds for a period longer than one year.

[d] The draft Estates Capital Framework provided an indication of the projects that would be progressed over a ten-year period.

Life Sciences update

2016.081 *Minute 2016.081 is confidential.*

Estates Strategy Board [FIC16/67]

2016.082 The Committee **received** the Chair's summary report of the Estates Strategy Board meetings of April and May 2017.

Part 5: Other Matters for Report

Annual schedule of business 2017–18 [FIC16/68]

2016.083 The Committee **considered** the annual schedule of business for 2017–18 and **agreed** to review the plan in September 2017 once the next Treasurer had had opportunity to discuss it with the Finance Director.

Action:
Finance Director, Treasurer

Terms of reference, membership and effectiveness review [Oral report]

2016.084 The Committee **received** an oral update on the process for reviewing the terms of reference, membership and effectiveness of the Committees. The annual effectiveness survey would be conducted at the end of the cycle during the summer and the terms of reference reviewed at the first meeting in 2017–18.

Draft agenda for next meeting [FIC16/69]

2016.085 The Committee **received** the draft agenda for the next meeting on 26 September 2017.

Any other business

2016.086 The Committee recorded its thanks to the President and Principal for his contributions to the work of the Committee and wished him well for his retirement.

Meetings in 2017–18

- Tuesday 26 September 2017 at 1530 hours, Robert Tong Room
- Monday 13 November 2017 at 1530 hours, Robert Tong Room
- Tuesday 13 March 2018 at 1530 hours, Robert Tong Room
- Tuesday 19 June 2018 at 1530 hours, Robert Tong Room