

**FINANCE AND INVESTMENT COMMITTEE
21 September 2022**

DRAFT UNCONFIRMED MINUTES

Present:

Isabelle Jenkins (Chair)
Anne Barnard
Adi Sawalha

Professor Colin Bailey
Tim Harris

Gil Baldwin
Ben O'Neill

In attendance:

Dr Sharon Ellis
Ian McManus

Karen Kröger
Thomas Skeen [mm.
2022.010-11]

Dr Nadine Lewycky

Apologies:

Maryanne Matthews

Jonathan Morgan

Welcome and Apologies

2022.001 The Chair welcomed everyone to the meeting and noted the apologies.

Minutes of the meeting held on 15 June 2022 [FIC22/01]

2022.002 The Committee **confirmed** the minutes of the meeting held on 15 June 2022.

Matters arising [FIC22/02]

2022.003 The Committee **noted** the matters arising from the meeting held on 15 June 2022.

Infrastructure approvals

[a] Two business cases had not been through the correct governance procedures before work had started. The action to review the governance process had been taken forward and would be discussed under the item on infrastructure strategy and governance.

Residential development proposal

[b] We have been reviewing the impact of the recent changes in financial markets, particularly interest and gilt rates, on the proposed off-balance sheet structure for delivery of student residences. The significant changes in the rates means that this option is no longer attractive, as it would require an injection of capital, rather than a capital premium. We are in discussions with a number of potential partners about other ways of achieving the residential strategy goal of increased student bedrooms.

Management accounts, including first draft outturn 2021–22 [FIC22/03]

2022.004 *Minute 2022.004 is confidential.*

Infrastructure strategy and governance [FIC22/04i & FIC22/04ii]

2022.005 The Committee **considered** the update on infrastructure strategy and governance. The following points were noted in the discussion:

- [a] The processes for approving and managing strategic infrastructure projects had been reviewed over the summer. Under the proposal, the Senior Executive Team would hold dedicated quarterly meetings to discuss Estates and IT strategic planning. The current Estates and IT strategy boards would be combined into an Infrastructure Steering Group. The Scheme of Delegation of Financial Authority would need to be updated to reflect these changes.
- [b] The update on infrastructure investment provided an overview of the longer term plans and linked projects with the strategic objectives. It was recommended to increase the approval limit of the Senior Executive Team to £10m, which equalled c. 10% of the annual capital plan and is similar to the materiality level for external audit. The current governance arrangements required that any project over £20m had a Council member on the project board. This could result in a conflict of interest for members. It was proposed the inclusion of an independent member on the project board would be made where appropriate on a case by case basis by the Committee or Council.
- [c] The Committee said that a clearer link was needed between the proposed governance presented and Council. The diagram would be updated to show the follow through of business to Council.
- [d] The Committee asked whether the space targets were still viable with the introduction of the new ways of working. The Space strategy group was working on challenging the space norms and would test whether the assumptions were still valid. A new process had been introduced to consider requests for space in the context of the strategic need.
- [e] The Committee would receive a paper breaking down the project portfolio based on different types of space and links to KPIs.
- [f] Work was being done to improve the presentation of business cases with an emphasis on anticipated benefits. Business cases would be clear about the benefits and how they would be tracked post implementation.
- [g] The Committee asked what steps were in place to mitigate risks in relation to our contractors. The Committee suggested that Audit and Risk Committee may wish to consider monitoring fixed term contracts over a certain value. Members of the Committee would discuss risk management of contractors with Procurement and the Director of Estates, Facilities and Capital Development outside of the meeting.

[h] Where the £10m threshold is reached, the Committee would receive a presentation on the high-level academic vision before the business case proceeded through internal governance.

[i] The Committee **agreed to recommend approval** to Council the update to the Scheme of Delegation of Financial Authority.

*Actions: [c] Chief Financial Officer, [e] Chief Operations Officer
[g] Director of Estates, Facilities and Capital Development*

Mile End Library Extension business case [FIC22/05]

2022.007 *Minute 2022.007 is confidential.*

School of business and management business case [FIC22/06]

2022.008 *Minute 2022.008 is confidential.*

Queens' Building phase 2 [FIC22/07]

2022.009 *Minute 2022.009 is confidential.*

QMUL Pension Liabilities Report [FIC22/08]

2022.010 The Committee **noted** the QMUL pension liabilities report. The following points were noted in the discussion:

[a] The Committee asked whether the student body was aware that tuition fees helped cover the costs of the USS pension scheme. A visual aid would be shared with the Students' Union.

Action: [a] Chief Financial Officer

***Annual summary of bad debt write off 2021–22 [FIC22/09]**

2022.011 The Committee **noted** the annual summary of bad debt write off for 2021–22.

Committee terms of reference, membership and effectiveness [FIC22/10]

2022.012 The Committee **noted** its terms of reference, membership and effectiveness.

***Draft agenda for the next meeting [FIC22/11]**

2022.013 The Committee **noted** the draft agenda for the next meeting on Wednesday 02 November 2022.

Meetings in 2022–23

- Wednesday 02 November 2022 at 1530 hours, 2.16/2.17, Department W.
- Tuesday 07 March 2023 at 1530 hours, TBC.
- Wednesday 14 June 2023 at 1530 hours, TBC.