



Minutes of the Finance Committee Meeting of 20 March 2013

PRESENT: Provost, Vice-Provost/Chief Academic Officer, Bursar, Registrar, Mr. Jon Gorringe, President of the Students Union, Chief Financial Officer (CFO) – Secretary of the Committee.

IN

ATTENDANCE: Research Accounting Manager

APOLOGIES Chief Operating Officer (COO), Dean of Arts, Humanities & Social Sciences, Ms.Helen Keelan, Prof. Robbie Gilligan

The minutes of the Finance Committee meeting of 20 February 2013 were approved and signed.

The Committee noted the circulated Status Report on the Finance Committee Action List as at March 2013 and the updated position on certain open actions as outlined by the CFO.

Section A

No items

Section B

FN/12 - 13/67 TBSI
(Minute FN/12-13/41.1 of 19.12.2012 refers)

The Committee, noting the update provided by the Research Accounting Manager in respect of TBSI's projected overhead income stream, requested the Dean of Research to engage with TBSI to finalise negotiations with related Schools at an early date.

Action:

67.1 The Dean of Research to engage with TBSI to finalise negotiations with related Schools in respect of the projected overhead income stream at an early date.

FN/12 - 13/68 Global Relations
(Minute FN/12-13/32 of 19.12.2012 refers)
The Vice President for Global Relations attended for this item.

The Committee considered the quarterly report and accompanying schedules from the Vice President for Global Relations, dated 12.03.2013.

The Committee, in reviewing the financial performance report (actual vs. budget) for the quarter to 31 December 2012 along with a financial forecast for 2012/13, noted the cumulative budget position as set out and the assurances provided by the Vice-President for Global Relations (VPGR) in terms of the student number targets to be achieved by September 2013. Furthermore, the Committee noted the challenges as outlined by the VPGR in relation to the availability of comparative data, the difficulties in accessing accurate data on current student numbers and concerns in terms of confidence in the projected figures.

Noting the issues raised regarding the timeline for offers of places being made to non-EU students, the Committee agreed that consideration should be given to the allocation of resources to speed up the admission process.

The Vice-President for Global Relations drew the Committee's attention to the updated position in relation to philanthropic funding and key deliverables as set out in the circulated memorandum, including the recruitment of new staff members, marketing activities, travel undertaken, the new Client Relationship Management System and capital expenditure.

The Finance Committee thanked the Vice-President for Global Relations for her report, noting the assistance provided by the Treasurer's Office, and invited her to provide the next quarterly report in Trinity Term 2013, which should include an up-to-date position on actual student numbers recruited versus the target.

Action:

- 68.1** Consideration to be given to the allocation of resources to speed up the admission process for non-EU students.
- 68.2** The Vice-Provost for Global Relations to provide the next quarterly report in Trinity Term 2013, which should include an up-to-date position on actual student numbers recruited versus the target.

FN/12 - 13/69 Consolidated Financial Estimates 2012/13

The Senior ABC/FECP Accountant attended for this item.

A memorandum from the CFO and the Senior ABC/FECP Accountant dated 14.03.2013 had been circulated to the Committee along with accompanying documents and schedules setting out the 2012/13 financial year Estimates and high level 5-year projections (2013-2018). The Committee considered the revised projected outturn for the year compared to the position advised to Board in June 2012, (which had been based on the information available at that time) and noted that the availability of actual student numbers, and the receipt of the HEA Grant Letter in January 2013, had primarily formed the basis of the revised figures. The Committee also considered the factors impacting the revised outturn across a number of main income and expenditure headings. In noting the position in respect of the Fixed Term Workers Act pension credit, the Committee agreed that further discussion with the HEA was required in this regard.

The Committee noted that the potential impact of the recent public sector pay proposal had not been factored into the Estimates as circulated due to the unavailability of detailed information. The Committee requested the Director of Human Resources to prepare a paper identifying - and presenting options to mitigate - the risks associated with the departure of key members of staff due to reductions in pay, as envisaged under the pay proposal.

The Committee agreed that the issuing of a Section 37 letter would not be required for 2012/13 as excess expenditure over income would be met from College reserves, as previously agreed by Board.

Furthermore, in considering the 5-year high level estimates, including the expected cumulative position and annual outturn across a number of scenarios (based on certain key income and expenditure assumptions), the Committee noted that more refined estimates are being prepared at this time. In relation to the projected outturn for 2013/14, the Committee were of the view, and wished to recommend to Board, that the College should plan for a balanced budget in determining resource allocation through the Annual Budgetary Cycle process, thus ensuring that expenditure is not in excess of projected income. Furthermore, the Committee agreed that a renewed focus on further income generation and cost management opportunities was now required so that these could be factored into the Strategic Plan for 2014-2019.

The Committee recommended the 2012/13 Financial Year Estimates to Board for consideration and approval and noted that, following approval by Board, the Calendar Year Estimates for 2013 will be presented to the HEA in the Funding Statement format as part of the annual accountability and budget meeting to be held in May 2013.

Action:

- 69.1** Further discussion with the HEA in respect of the FTWA pension credit is required.
- 69.2** The 2012/13 Financial Year Estimates were recommended to Board for consideration and approval.
- 69.3** The College to plan for a balanced budget in 2013/14, ensuring that expenditure is not in excess of projected income.
- 69.4** A renewed focus on further income generation and cost management opportunities was now required so that these could be factored into the revised Strategic Plan for 2014-19.
- 69.5** The Director of Human Resources to prepare a paper identifying - and presenting options to mitigate - the risks associated with the departure of key members of staff due to reductions in pay as envisaged under the pay proposals.

Section C

FN/12 - 13/70 Quarterly Accounts

The Committee noted the circulated memorandum dated 13.03.2013 from the Treasurer's Office reporting on the Quarterly Accounts for the period to 31.12.2012, which set out a summary of the financial position in addition to further enhanced information across the following categories:

- Areas under the remit of the Faculty Deans
- Areas under the remit of the Chief Operating Officer (COO)
- Other Areas outside the remit of the Faculty Deans and COO
- Research
- Analysis of Capital Projects

FN/12 - 13/71 eStrategy - Quarterly Update

(Minute FN/12-13/39 of 19.12.2012 refers)

The Committee considered and noted the circulated report dated 14.03.2013 from the Office of the COO, which set out financial updates on three of the four eStrategy projects. Furthermore, the Committee noted that a detailed external report on the GeneSIS budget will be circulated to Finance Committee for separate consideration at a future meeting, having been considered by Executive Officers in the first instance.

A further update on the eStrategy projects will be provided by the COO in Trinity Term 2013.

Action:

- 71.1** The COO to provide an update on eStrategy projects, with the next report due at the last meeting of the Committee in Trinity Term 2013.

FN/12 - 13/72 Borrowing Framework and Loan Guarantees

In accordance with Section 6 of the Framework for Borrowing and Loan Guarantees, the Committee noted the circulated memorandum from the Financial Planning Manager dated 13.03.2013 and accompanying schedules, setting out full details of borrowing, underwriting and guarantee arrangements in the format requested by the HEA.

FN/12 - 13/73 Trust Funds (Benefactions)

The Committee noted and agreed the considered approach to be taken to the publication of information relating to the Trust Funds as outlined in the circulated report from the CFO and the Interim Director of Communications and Marketing dated 07.03.2013.

FN/12 - 13/74 Finance Committee Self-Evaluation

The Committee considered the memorandum from the CFO dated 13.03.2013, which included a draft Finance Committee Self-Evaluation Form for 2012/13. Following receipt of suggested amendments to this document (if any), the agreed self-evaluation forms will be, circulated to Committee members for completion within the agreed timeframe in order that the outcome of the process may be considered at the last Committee meeting in June 2013.

Action:

74.1 The outcome of the Self-Evaluation process to be considered on 12.06.2013

FN/12 - 13/75 Campus Company Venture Capital Fund
(Minute FN/11-12/13 of 2.11.2011 refers)

The Committee noted the updated position in respect of the Campus Company Venture Capital Fund as outlined in the circulated correspondence from the IUA dated 15.02.2013 noting that further updates on the Campus Company Venture Capital Fund will be provided to the Finance Committee as they arise.

Action:

75.1 Further updates on the Campus Company Venture Capital Fund to be provided to the finance committee as they arise.

FN/12 – 13/76 Minutes of Sub-Committees

The Committee noted and approved the minutes of the Investment Committee meeting of 5.02.2013 as circulated. The CFO will advise the Committee on the comparative performance of the portfolio/investments over a series of agreed timeframes at a future meeting.

Action:

76.1 The CFO will advise the Committee on the comparative performance of the Portfolio/Investments over a series of agreed timeframes at a future meeting.

The Committee noted that the next Finance Committee meeting is scheduled for 22 May 2013, at 2.30p.m. in the Provost’s Library.

PROVOST.....

DATE.....