

GOLDSMITHS
University of London

COUNCIL

FINANCE AND RESOURCES COMMITTEE

Minutes of the meeting held on 26 April 2007

Present: Mr Mark Baillache (in the Chair), Dr Philip Broadhead, Professor Geoffrey Crossick, Mr Barry Douglas, Ms Jennifer Huseman, Mr Hugh Jones, Mrs Alyson McGarrigle, Professor Simon McVeigh, Mr Dick Melly, Professor Nirmala Rao, Lord Sandon.

In attendance: Mrs Mary Bright (Head of Residences, Catering and Conferences), Mrs Rosie Dewhurst (Director of Development), Mr Chris Pearson (Director of Human Resources), Miss Una Quinn (Head of Management Accounts), Mr Bob Westaway (Academic Registrar).

Apologies: Dr David Barratt.

1 MINUTES

Resolved:

that the minutes of the meeting held on 6 March 2007 be approved.

2 GRANT ALLOCATION FOR 2007-08

Received:

a report from the Director of Finance on the allocation of block grant for 2007-08 (07-143). The Committee received also two appendices which had in error been omitted from the original circulation.

The report contained details of the 2007-08 grant announcements from the HEFCE and from the Learning and Skills Council; the announcement from the Training and Development Agency for Schools was awaited.

In discussion members noted that the grant settlement from HEFCE was less favourable than that of many other universities, which benefited from significant numbers of additional funded students and additional resources for science research. It was noted also that there was a decrease in funding due to widening participation, reflecting a decline in the number of part-time students. This had impacted to some extent upon the proportion of women and mature students, but it was too early to determine whether this was a temporary phenomenon.

3 BUDGET FOR 2007-08

Received:

a report from the Director of Finance summarising the preliminary revised forecast position and recommending the budget for Goldsmiths for 2007-08 (07-144).

In discussion members of the Committee noted:

- (i) the improved process which had led to the current budget proposals, with detailed scrutiny of plans from individual academic and service departments, and clear identification of priorities for new spending;
- (ii) the improved position in the revised forecast, due in the main to better-than-expected student enrolment;
- (iii) the continued risks that existed because of the reliance upon tuition fee income, and in particular concerns that a downturn in the US economy might have an impact on overseas and visiting students;
- (iv) the importance of a functioning student record system to efficient and effective operation;
- (v) the expected demographic dip amongst the university age population in the future, but that this was not expected to impact upon Goldsmiths' capacity to recruit to its target student numbers;
- (vi) increases in the annual rate of inflation was emerging as a new risk factor.

Members expressed concern that the savings targets included in Annex A of the paper had been reduced from previous discussions. It was considered both a useful discipline to seek additional savings to permit reinvestment and also prudent, in the light of concerns about the cost of implementation of the framework agreement (see Minute 6 below), to achieve a higher level of savings.

Recommended:

the adoption of the proposed budget, with the proviso that further work be undertaken to increase the level of savings required from the proposed voluntary severance scheme.

4 MANAGEMENT ACCOUNTS

Received:

A report from the Head of Management Accounts reporting on performance in the financial year to 28 February 2007 (07-145).

The Committee noted that increased tuition fee income had contributed to a lower deficit being forecast than had previously been the case. Members expressed concern that non-staff spending, particularly in some service areas, was significantly below budget. Whilst this might have arisen as a result of unsophisticated budget profiling, it was noted that there might be unresolved management issues if it in fact reflected planned activity not being undertaken.

5 HALL FEES

Received:

A report from the Head of Residences, Catering and Conferences and the Director of Finance reporting on the financial outturn of the Residences, Catering and Conference Services for 2005-06 and proposing hall fees for 2007-08 (07-146).

In a wide-ranging discussion members noted a number of issues including:

- (i) The problem of voids due to accommodating one-and two-term resident visiting international students and that discussions were taking place to minimise this problem in the future;
- (ii) the plans to bring halls of residence together to achieve greater efficiencies
- (iii) the plans to bring some halls of residence into the IT network, thereby enabling internet access for the majority of residents;
- (iv) the whole-estate view being taken of halls, in particular in relation to long-term maintenance and to the effective use of the College's assets;
- (v) the value-added for students by halls in comparison to the private rental market.

Recommended:

that hall fees for 2007-08, involving an increase of 5 - 8 percent, be approved in accordance with the proposals set out in paper 07-146.

6 HERA PROJECT

Received:

An oral report from the Director of Human Resources on progress in implementing the framework agreement on pay and conditions.

The Committee noted that negotiations were now taking place about the grade structure to be adopted within Goldsmiths. Members expressed concern about the possible costs of the agreement and their affordability within the current budget.

7 DATE OF NEXT MEETING

Thursday 7 June 2007 at 11.00 am

Hugh Jones
Registrar and Secretary
27 April 2007