

**GOLDSMITHS  
University of London**

**COUNCIL**

**FINANCE AND RESOURCES COMMITTEE**

**8 November 2007**

- Present:** Mr Mark Baillache (in the Chair), Dr Philip Broadhead, Ms Hannah Bullivant, Professor Geoffrey Crossick, Mr Barry Douglas, Mr Hugh Jones, Professor Simon McVeigh, Mrs Alyson McGarrigle, Mr Dick Melly, Professor Nirmala Rao.
- In attendance:** Academic Registrar, Head of Management Accounts, Quality and Governance Administrator, Head of Secretariat (Secretary).
- Apologies:** The Earl of Harrowby (formerly Viscount Sandon), Dr David Barrett.

**OPEN BUSINESS**

**1 NEW MEMBERS AND SECRETARY**

The Chair welcomed Ms Jessica Pavlos, Quality and Governance Administrator, who had been appointed Secretary to the Committee. The Chair thanked the outgoing Secretary, the Head of Secretariat.

**2 MINUTES**

**Resolved:**

that the Minutes of the meeting held on 7 June 2007 be approved.

**3 MATTERS ARISING**

The Chair requested an oral update on Item 7 of the minutes of the last meeting (Voluntary Severance).

**Noted:**

- (i) that as yet only a very limited number of staff had expressed an interest in the scheme, not all of whom met the criteria, and that only one application had so far been approved;
- (ii) that it would be necessary as a next step to review whether the scheme had achieved its objectives, and whether alternative savings would need to be sought.

**4 STANDING ORDERS**

**Received:**

the revised Standing Orders for all College committees approved by Council with effect from 1 September 2007, together with an explanatory note from the Secretariat on the changes made (07-306).

## **5 CONFLICTS OF INTEREST POLICY**

Received:

the Conflicts of Interest Policy, containing a section concerning the declaration of conflicts of interests by committee members (07-307).

## **6 TERMS OF REFERENCE, COMPOSITION AND MEMBERSHIP**

Received:

a statement of the terms of reference, composition and membership of the Committee for 2007-08 (07-325).

## **7 BUDGET ALLOCATIONS TO DEPARTMENTS**

Received:

a statement of budgets issued for the financial year 2007-08, compared to a statement of budget allocation to departments (07-391).

## **8 TUITION FEES 2007-08 AND 2008-09**

*(Minute 5, 23 November 2006, refers)*

Received:

details of tuition fees for 2007-08 and 2008-09 (07-392).

## **9 STUDENTS' UNION FINANCIAL STATEMENTS**

Received:

the draft Financial Statements for the Students' Union for 2006-07, together with a commentary by the Chief Executive (07-393).

It was noted that the Students' Union had performed very well in the past year, with a £16,055 profit before transfers. This good performance resulted from new staff and organisational restructuring, development of new commercial and non-commercial activities, and new projects delivered in partnership with the College. Investment in clubs and services had increased. Surpluses would go into reserves but also be channelled into investments (such as improvements to the Green Room bar).

It was noted that the SU Shop had experienced a net loss and that this would need to be monitored closely in the future.

The Committee was pleased to note the good financial performance of the Students' Union, as evidenced by the Financial Statements.

## **10 RESEARCH AND KNOWLEDGE TRANSFER COMMITTEE ANNUAL REPORT**

Received:

a report on the Committee's activities in 2006-07 (07-394).

## **11 ANNUAL REVIEW OF THE COMMITTEE**

### **Resolved:**

that the Review Report (07-326) be finalised by the Secretary in the light of discussion at the meeting.

## **12 SUMMARY MANAGEMENT ACCOUNTS (OUT-TURN)**

### **Received:**

a paper summarising the significant variances between the latest Financial Forecast and Outturn for 2006-07, and highlighting performance against some of the key indicators within the Financial Strategy (07-396).

It was noted that, contrary to the forecast deficit, the College had in fact met its target of 8% growth in 2006-07, with a surplus of £1,025k. This was a welcome outturn, but it was noted that at 1.6%, the surplus still fell short of the minimum of 3% recommended by HEFCE.

It was reported that research funds in particular had performed a great deal better than forecast this year, with turnover increased by 61% (or £1705k). This was attributed to an improvement in the rate of successful grant applications, and the introduction of full economic costing for research council and government grants. Strategic efforts to improve sustainability of research funding, including encouragement to apply for large grants and to focus on partnerships with long-term potential, had also contributed to the positive out-turn.

Other areas that had demonstrated large positive variances included academic departments (non-pay), Residences, Catering and Conferences, and tuition fee income.

While it was noted that deferred expenditure had been a significant factor in this largely positive out-turn, the Committee was pleased to note that it also reflected a strong performance in key target areas such as international student recruitment and research income (as detailed above), indicating that the College's Financial Strategy was taking effect.

There was some concern from Committee members about the practice of preparing conservative financial forecasts. Whilst it was agreed that an institution in Goldsmiths' financial situation (ie with very little in reserve) benefited from taking a cautious approach to financial forecasts, it was also noted that targets needed to remain challenging.

## **13 STUDENT RECORDS**

### **Received:**

a report on the proposed new Student Records System (07-297).

The Committee welcomed the proposed development as an immensely positive investment in the College's future, which would enhance both the student experience and the recruitment process, and would bring the standards of the College's infrastructure in this area up to the standards established elsewhere in the sector.

It was noted that no definitive costing was available at this stage, but that provisional quotations suggested an implementation cost of £550-650k over two years and a recurrent cost of £90-120k. Recurrent costs were a necessity and would be ameliorated by improved process efficiencies.

It was noted that the Students' Union would welcome representation in the planning process for the new system.

## 14 HERA ROLE EVALUATION PROJECT

Received:

an oral report from the Registrar and Secretary.

Noted:

- (i) that the critical stage of this project was October to December 2007, with an expectation that unions would recommend a package to their members early in 2008;
- (iii) that there would be an inevitable cost increase associated with the role evaluation and that the College would be obliged to make further savings if increases went beyond forecasts.

## 15 WHITEHEAD BUILDING

Received:

a report from the Registrar and Secretary (07-397), indicating that the refurbishment of the Whitehead Building had not progressed as originally envisaged, and that substantial additional expenditure had emerged as necessary.

The Committee noted that the funding of the additional works now necessary would erode the resources available for future capital projects, but would not have the effect of curtailing any specific projects on which the College was already actively engaged. Changes would be made in the future planning of capital projects in order to avoid similar problems in future – and indeed a very different approach was to be adopted for the Backfield Building, with more frequent reports to the Senior Management Team.

It was further noted that, in view of the urgency of progressing the revised Whitehead Building project as quickly as possible, with a view to minimising disruption to normal operations, it had been necessary to begin committing already some of the additional expenditure described in the attached paper. The Chair of Council had been consulted on this and had approved, on behalf of Council, the action hitherto taken.

**Recommended:**

**that the proposed increase in project costs for the Whitehead Building refurbishment, to an anticipated maximum of £3.95m, be approved.**

## 16 MEETINGS IN 2007-08

To note that meetings for the remainder of 2007-08 would be held at 11am on the following dates:

Thursday 21 February 2008  
Tuesday 22 April 2008  
Tuesday 3 June 2008