

GOLDSMITHS
University of London

COUNCIL

FINANCE AND RESOURCES COMMITTEE
24 June 2010¹

- Present:** Mr Mark Baillache (in the Chair), Dr Philip Broadhead, Mr Rupert Evenett, Mr Jesse Fajemisin, Mr Hugh Jones, Mr Patrick Loughrey, Mr Dick Melly, Professor Jane Powell, Ms Mary Stacey, Ms Sally Townsend.
- In attendance:** Head of Management Accounts, Head of Corporate Governance and Information Management (Acting Secretary).
- Apologies:** Professor Simon McVeigh.

OPEN BUSINESS

32 MINUTES

Resolved:

that the Minutes of the meeting held on 4 March 2010 be approved.

33 MATTERS ARISING FROM THE MINUTES: NEW ACADEMIC (BACKFIELD) BUILDING

Noted:

- (i) that the New Academic Building (formerly, including in Minute 21, known as the Backfield Building) was expected to be completed by mid-August;
- (ii) that a further report would be made to the Committee in the Autumn, in the light of the recent report from the Internal Auditors on the management of the project.

34 MANAGEMENT ACCOUNTS

Received:

the management accounts for the first five months of the financial year 2009-10 (10-257).

The Committee noted the forecast surplus for the current year of between half and one million pounds. The immediate short-term costs of the Voluntary Severance scheme (in the

¹ This meeting dealt with the business originally scheduled for a cancelled meeting on 8 June 2010.
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period before they were offset by recurrent expenditure) had not been included in the calculation as it was not known in which financial year these costs would fall. Some further issues referring to the costs of pensions and the impact of HERA gradings also awaited clarification. It was noted that the LPFA pension scheme had already undergone reforms, and that this was still under discussion for USS.

An error in the calculations on depreciation was also noted for correction.

The Committee was pleased to note improvements in financial reporting which were being developed.

35 COLLEGE BUDGET

Received:

a paper concerning the proposed budget for 2010-11 (10-258).

Recommended:

that the budget as proposed in paper 10-258 be approved.

In agreeing that the budget should be recommended for Council approval, the Committee noted that some matters of detail remained to be finalised. In particular, the capital budget proposed at Annex E was not yet final, and Council and Finance and Resources Committee were being asked to approve a total budget within which individual items of expenditure were expected to change. Scenario planning on the future financial position would continue to develop in the light of information about income from public and other funds, and the response to the Voluntary Severance Scheme.

The Committee noted that in a period of increasing financial stringency improvements in management information would become even more important, in order to ensure that difficult decisions were taken on the basis of sound evidence. This would not only give greater legitimacy to decisions of the Senior Management Team, Finance and Resources Committee and Council, but would also put Heads of Department in a better position to explain decisions within their departments.

It was noted that factors expected to improve the financial position in the longer term included an improved *Outside Work and Consultancy Policy* to give better incentives for increased activity, and investment in key areas of strategic development such as PhD studentships with the capacity to strengthen departmental research profiles, and the rationalisation of teaching (including in particular reducing the number of under-recruiting modules in Master's level degree programmes). There were signs that recruitment was improving, and it would be important to set targets for achieving intended future improvements, as well as for new developments generally.

An error in Annex A relating to Interest was noted as requiring correction (although the paper had already been circulated to Council).

36 COMPANIES WITH A GOLDSMITHS LEGAL INTEREST

Received:

a report on companies in which it was noted the College had a legal interest (10-259).

37 ETHICAL INVESTMENT POLICY

Recommended:

that the proposed Ethical Investment Policy be approved (10-260).

The Committee noted that implementation of the Policy would be via the investment fund managers of the College, whose investments the College had power to influence. It was suggested that there needed to be greater clarity about how their adherence to the Policy would be monitored by the College.

38 STUDENTS' UNION BUDGET

Received:

the Students' Union Budget for 2010-11 (10-261).

39 IT STRATEGY IMPLEMENTATION

Received:

a report from the Director of IT Services on the implementation of the IT Strategy (10-214).

40 HALL FEES

Received:

a report from the Registrar and Secretary on Hall Fees approved by the Senior Management Team for 2010-11 (10-262).

The increase in hall fees of 4 percent was regarded by several members of the Committee as unfortunate, given that student income had not increased. However, the option of subsidising hall fees from other areas of the College's budget was regarded as unacceptable, and the Committee as a whole therefore raised no formal objection to the fees already approved.

41 FINANCIAL REGULATIONS

Noted:

that no major changes to the Financial Regulations were proposed with effect from 1 August 2010, and that any minor changes needed (mainly formal amendments consequential on substantive decisions taken elsewhere) would be presented for approval by Chair's Action and reported to Council in the Autumn term.

42 NURSERY FEES

Noted:

that in view of the very recent decision to close the Nursery, the customary paper concerning Nursery fees had not been presented.

43 DATES OF FUTURE MEETINGS

Noted:

that meetings for 2010-11 were scheduled for the following dates:

Thursday 4 November 2010, 3.30pm

Tuesday 15 March, 2011, 2.30pm

Thursday 2 June 2011, 2.30pm

RMH
August 2010