

**GOLDSMITHS  
University of London**

**COUNCIL**

**FINANCE AND RESOURCES COMMITTEE**

**Minutes of the meeting held on 6 June 2011**

**Present:** Mr Mark Baillache (in the Chair), Dr Philip Broadhead, Mr Rupert Evenett, Mr Patrick Loughrey, Mr Dick Melly, Professor Simon McVeigh, Ms Bindz Patel, Professor Jane Powell, Ms Sally Townsend, Mr Hugh Jones (Acting Secretary).

**In attendance:** Head of Management Accounts

**OPEN BUSINESS**

**1 MINUTES**

**Resolved:**

that the Minutes of the meeting held on 15 March 2011 be approved.

**2 RELATIONSHIP BETWEEN FINANCE AND RESOURCES COMMITTEE AND  
AUDIT COMMITTEE**

**Received:**

a report from the meeting of Audit Committee held on 1 June 2011 (11-267).

**Resolved:**

to support the proposal of Audit Committee (1 June 2011) that that Finance and Resources Committee should in future consider the Financial Statements (accounts section only) at its Autumn term meeting.

**3 MANAGEMENT ACCOUNTS**

**Received:**

Management Accounts for the period ending 31 March 2011, together with a commentary (11-248).

The Committee noted that a revised full year forecast would be produced over the coming month. It seemed likely that the outturn would be better than originally forecast; budget

holders were being asked to identify any significant areas of expenditure, beneficial to the student experience, which might be brought forward from 2011-12.

In discussion it was noted that the more competitive research grant environment had impacted upon research income; fewer grants were now being awarded across the sector, but for larger average amounts. It was noted that the severance scheme had led to a reduction in costs; modernisation funding from HEFCE had also helped pay the immediate costs.

The Committee discussed particularly the reports of individual department expenditure. Better budget profiling would help with forecasting, but it was very important also that departments constrained their expenditure within agreed budgets.

## **4 BUDGET**

### **Received:**

the proposed College budget for the year 2011-12 (11-249).

The Committee noted the proposed budget was for, roughly, a breakeven position. This reflected reduced HEFCE income and rising underlying costs. The budget round had been thorough and engaged, and departments had responded well to a requirement to reduce spending by 6%.

In discussion the Committee noted that the level of surplus was unsustainable. The budget should be viewed as a step in the right direction, but the need to generate surpluses for investment made it imperative that future years' budgets worked towards increasing the surplus. The current budget had struck a balance between removing costs and maintaining the possibility of growth. The budget included a large contingency, which included specific amounts against foreseeable events and investment calls and a general contingency.

Specific issues were noted in relation to pay and pension assumptions, HEFCE transitional funding, halls of residences income, the library budget, the Graduate School, and TDA funding.

### **Resolved:**

that the budget proposal be approved as proposed in paper 11-249, subject to amendments in the light of comments made by members of the Committee.

## **5 HALL FEES**

### **Received:**

a report on Hall Fees approved by the Senior Management Team for 2011-12, following consultation with the Students' Union (11-250).

The Committee considered issues relating to the allocation of costs between residential and commercial activity. It was noted that this would affect the rental costs for students, although it was not clear the extent to which greater transparency would reduce or increase this cost. It was recognised that it would, in future, be better to have this

increased transparency, but that it would have to be balanced as a priority against other calls on the Finance Department.

## **6 STUDENTS' UNION BUDGET**

### **Received:**

copies of the Students' Union budget for 2011-12 (11-251).

## **7 DEBT COLLECTION**

### **Received:**

a report from the Finance Department, also received by the Audit Committee (1 June 2011), setting out a programme of activities which would ensure that the College collected debt efficiently and effectively (11-228).

## **8 REPORT ON HEFCE ASSURANCE VISIT: DECEMBER 2010**

### **Received:**

the draft report from HEFCE on their assurance review on 14 December 2010 (11- 224), and the Warden's response (11-236).

The Committee noted that the report was in general favourable, with a few minor actions needed. In particular, in the light of the report it seemed desirable to remove the Senior Management Team members from the Committee and it was noted that a recommendation would shortly be considered by Council to that effect, to enable changes to be made with effect from 1 September 2011.

## **9 FINANCIAL REGULATIONS**

### **Recommended:**

that amendments to the Financial Regulations be approved with effect from 1 August 2011, as set out in paper 11-268.

## **10 DATES OF FUTURE MEETINGS**

### **Noted:**

that future meetings would be held as follows:

7 November 2011 at 2:00pm  
6 March 2011 at 2.00pm  
31 May 2011 at 2.00pm