

**GOLDSMITHS  
University of London**

**COUNCIL**

**FINANCE AND RESOURCES COMMITTEE  
17 June 2013**

**Present:** Mr Philip Wright (in the Chair), Mr Patrick Loughrey, Ms Mary Stacey, Mr Samson Osun, Mr David Richards,

**In attendance:** Dr Kate Bird, Mrs Liz Bromley, Mr Andrew Lantry, Professor Jane Powell, Ms Sally Townsend, Dr Michael Young, Mr Chris Lloyd (Secretary).

**Apologies:** Mr Dan Lambeth

**Observing:** Mr Conrad Grant

**OPEN BUSINESS**

**1 MINUTES**

**Resolved:**

that the Minutes of the meeting held on 4 March 2013 be approved.

**2 MATTERS ARISING FROM THE MINUTES**

**Noted:**

- (i) that the schedule of IT Services Capital Projects that was not included in the previous management accounts paper had been made available following the previous meeting via the Committee's archive on the VPN;
- (ii) that the IT strategy was available in full on the College Strategies webpage.
- (iii) that Basem El-Haddede, Director of IT Services, had recently left the College and the Registrar and Secretary would be taking on the leadership of the department, in the short term, in order to review requirements across the College and consider the IT Strategy before moving to appoint a Chief Information Officer ;
- (iv) that 47 Lewisham Way had been valued at approximately £400k. The Estates team are currently working to vacate the property so that it can be put on the market;

**3 PENSIONS**

**Received:**

an oral update from the director of Finance regarding how pensions liability should

be disclosed in the Financial Accounts and the implications for institutions due to proposed changes;

**Noted:**

- (i) that a liability of approximately £18million against the LPFA pension scheme was recorded on the balance sheet but currently the proportion of liability against the USS scheme, which was likely to be significantly larger, was not recorded, although this was subject to change under Financial Reporting Standard 102;
- (ii) that the reporting of pensions liability was a matter of importance for HEIs, with the British Universities Finance Directors Group (BUFDG) considering the issue to ensure that there was a consistent approach, or approaches if necessary, across the sector but that no final decision on reporting had been reached.

#### **4 SUMMARY MANAGEMENT ACCOUNTS**

**Received:**

the Management Accounts for the period to March 2013 (13-271).

**Noted:**

- (i) that the Management Accounts show that outturn was broadly on budget;
- (ii) that cashflow remained strong but that this would be impacted through the paying out of provisions included in the accounts, in particular through the VT Assimilation Project;
- (iii) that allocation of the underspend in the Student Services was being considered but that any cap previously imposed on dyslexia testing had already been removed, with this policy established on an on-going basis;
- (iv) that a significant amount of work had been put into reviewing aged debt, particularly through liaison with the Student Loans Company, and that while the amount of debt had risen – predominantly in line with the increase in tuition fees – the number of individual cases had seen a reduction.

#### **5 BUDGET**

**Received:**

the proposed College budget for the year 2013-14 (13-272)

**Noted:**

that the Budget represented an investment year with a view to increasing performance in future years, which would require increased monitoring of the benefits of these investments – and close attention to costs – in these years.

**Recommended:**

that Council approve the Budget for 2013-14.

## **6 HALL FEES**

### **Received:**

a report on Hall Fees approved by the Senior Management Team for 2013-14, following consultation with the Students' Union (13-273).

### **Noted:**

that it was reassuring to note that Goldsmiths' Hall Fees were set at a fair level and that they compared favourably to other institutions.

## **7 STUDENTS' UNION BUDGET**

### **Noted:**

- (i) that consultation was on-going regarding the Students' Union budget for 2013-14 and that the final budget would be circulated to the Committee once it had been agreed;
- (ii) that the work of the University of London Union (ULU) had been reviewed which would be reflected in the Student Union's Budget.

## **8 FINANCIAL REGULATIONS AND ASSOCIATED DOCUMENTS**

### **Received:**

amendments to the Financial Regulations agreed by Chair's Action (13-275)

### **Noted:**

that the amendments listed in the paper would take effect from 1 August 2013 rather than 1 September as erroneously listed in the paper.

## **9 LONDON UNIVERSITIES INTERNATIONAL PARTNERSHIP (LUIP)**

### **Received:**

a paper from the Director of Finance regarding incorporation of the LUIP (13-276)

### **Noted:**

- (i) that incorporation would reduce the risk to the College by reducing liability;
- (ii) that while the paper adequately explained the rationale for incorporating the partnership it did not consider the larger question of whether this partnership was the best option for Goldsmiths – a factor which should be considered further;
- (iii) that future strategic partnerships would not be limited by this partnership.

### **Recommended:**

that Council approve the incorporation of the London Universities International Partnership (LUIP)

## **10 RE:FIT PROGRAMME**

### **Received:**

a paper from the Director of Finance regarding the RE:FIT Programme (13-280)

### **Noted:**

- (i) that repayment of the loan would be made from and linked to the savings produced by the improvements;
- (ii) that if the level of savings agreed at the commencement of the agreement were not realized in practice then the College would be entitled to receive compensation, most likely in the form of a rebate;
- (iii) that the move to district heating would be considered in future as part of the Estates Masterplan but would not form a part of this project;
- (iv) that the Committee would like to register its support for the project together with all work undertaken relating to environmental sustainability.

### **Resolved:**

- (i) that Cofeley be appointed as main contractors for the RE:FIT Programme at Goldsmiths, following their submission through the RE:FIT validation process;
- (ii) that the College proceed with Phase 1 of the RE:FIT project (as outlined in the Business Case attached), totalling £2.1m in costs;
- (iii) that the College enter into a borrowing arrangement with Salix Finance Limited to borrow up to £1.55m for the purposes of the RE:FIT Programme.

## **11 MEMBERSHIP OF THE COMMITTEE**

### **Noted:**

that Philip Wright, Dan Lambeth and Samson Osun would complete their terms of office on 1 September 2013 and that the Committee thanked them for their contributions.

## **12 DATES OF FUTURE MEETINGS**

that meetings would be held on the following dates:

Monday 4 November at 4pm  
Tuesday 18 March at 4pm  
Tuesday 3 June at 4pm

**CONFIDENTIAL BUSINESS**

*(Exemptions 36 and 43 of the Freedom of Information Act expected to apply for a period of at least two years)*

**13 FINANCIAL FORECAST AND COMMENTARY**

**Received:**

the Financial Forecast and commentary for submission to HEFCE (13-277).

**Noted:**

- (i) that the Agresso System was being updated, including an amended chart of accounts, which would provide more timely and meaningful information to departments and budget holders and allow for more effective scrutiny of spend and financial performance;
- (ii) that one clear improvement through this update, in connection with the updates to the Student Records System, would be in allowing the real-time reporting of fee income at department level, assigning fees at module level to more closely reflect the teaching associated with a programme, which had previously only been reportable following the end of the financial year and external reporting cycle; It was anticipated that providing this information earlier in the cycle would allow for more meaningful discussions on savings;
- (iii) that the surplus/deficit that a department generated was considered when reviewing the College portfolio but that this was viewed in the context of other factors such as the National Student Survey and the REF;
- (iv) that development income is reported conservatively in the Financial Forecast and that while activity was on-going in this area this would be further developed following the appointment of a Director of Student, Alumni and Library Services, who brought knowledge and experience to this area.

**Recommended:**

that Council approve the Financial Forecast and Commentary for submission to HEFCE.

*(Exemption in Section 22 (Intended for Future Publication expected to apply - until publication (anticipated within 1 year))*

**14 VISITING TUTOR ASSIMILATION PROJECT**

**Received:**

a paper from the Director of Finance on the Visiting Tutor Assimilation Project (13-278)

**Noted:**

- (i) that agreement had been reached with the trade unions in principle but this was still

under consultation and required ratification;

- (ii) that following agreement an implementation plan would be put into action that would consider both the financial implications and the student experience on a department by department basis to ensure that teaching quality and contact hours were not compromised;
- (iii) that provisions had been made in the Financial Accounts in previous years to reflect the need to assimilate VTs and that these were expected to cover the costs related to back pay, including any interest payable;
- (iv) that consideration should be given when reflecting on lessons learned as to why the project took so long to implement and complete.

*(Exemptions 43 of the Freedom of Information Act expected to apply for a period of at least three years)*

## **15 STRATEGIC PARTNERSHIPS**

### **Received:**

an update on Strategic Partnerships (13-279).

### **Noted:**

- (i) that the Working Group on Strategic Partnership included representatives from Council, including the Chair of Finance and Resources Committee, as well as senior staff from across the College;
- (ii) that the Group had proposed Terms of Reference which Council would be asked to approve at its next meeting;
- (iii) that the work of the Group was being co-ordinated through the Strategic Projects Office;
- (iv) that the focus of the Group would be on a partnership that would benefit Goldsmiths and not on shared services or amalgamations with other institutions.

CL  
June 2013