

**FINANCE AND INVESTMENT COMMITTEE
21 June 2021**

DRAFT UNCONFIRMED MINUTES

Present:

Luke Savage (Chair)
Isabelle Jenkins

Shamima Akter
David Russell

Professor Colin Bailey

In attendance:

Dr Rachel Bence [minute
2020.045]

Dr Nadine Lewycky

Jonathan Morgan

Dr Sharon Ellis [minutes
2020.044–045]

Professor Andrew Livingston
[minute 2020.044]

Alice Ryder, Stanhope
Consulting [minute 2020.043]

Karen Kröger

Ian McManus

Paula Sanderson

Apologies:

Ade Adefulu

Ben O'Neill

Welcome and Apologies

2020.039 The Chair welcomed everyone to the meeting via video conference and noted the apologies.

Minutes of the meetings held on 18 March and 30 April 2021 [FIC20/33]

2020.040 The Committee **confirmed** the minutes of the meetings held on 18 March and 30 April 2021.

Matters arising [FIC20/34]

2020.041 The Committee **noted** the matters arising from the meetings held on 18 March and 30 April 2021.

Current financial position and end of year forecasts [FIC20/35]

2020.042 *Minute 2020.042 is confidential.*

Endowment investment review and Ethical investment policy [FIC20/36]

2020.043 *Minute 2020.043 is confidential.*

Business case for Plot C at Whitechapel [FIC20/37]

2020.044 *Minute 2020.044 is confidential.*

Combined infrastructure plan and priorities for capital investment 2021–22 [FIC20/38]

2020.045 The Committee **discussed** the combined infrastructure plan. The following points were noted in the discussion:

- [a] The successful integration of the physical and digital estate would be key to supporting the delivery of the 2030 Strategy and enable radical new ways of working, research, and teaching and learning. The workplace and learning spaces were no longer confined to our physical campuses and the move to digital working, teaching and learning would impact significantly on the demand for, and use of, our physical infrastructure.
- [b] The existing physical estate would be re-purposed to grow teaching and learning, specialist research and education, and social spaces, with a reduction in the amount of office space. Growing the net academic estate would be complemented by a culture change towards getting as much value out of our estate as possible and maximising commercial and residential opportunities.
- [c] Social and engagement spaces would be underpinned by a wholly digitally connected campus. Site operations would be aligned to minimise disruptions and outages.
- [d] *Minute 2020.045[d] is confidential.*
- [e] The Committee asked about the current level of customer experience of our systems. Work had recently been done to understand people's experiences of working from home. Blended learning had commenced this semester and would be evaluated going forward. Space analytics in Department W to understand how the space was used would start in September.
- [f] Estates was working with QMSU on feeding student perceptions of the estate into planning. Existing student satisfaction surveys did not adequately capture insight into students' engagement with the physical estate.
- [g] The infrastructure enabling plan would be closely linked with the Professional Services enabling plan to improve processes, focusing on the interface with students. An end-to-end review of student services would be conducted with a move towards communities of practice and a focus on customer service.
- [h] The Committee asked how the impact on students and applicants of major capital projects would be managed. Plans had been made for decant space although it would not be possible to completely mitigate all disruption. Aside from the new School of Business and Management, the largest projects were off the main campus.
- [i] A proposal on monitoring progress would be developed and brought to the Committee at a later date.
- [j] The Committee **endorsed** the combined infrastructure plan and **approved** the priorities for investment for 2021–22.

Transition from LIBOR [FIC20/39]

2020.046 The Committee **noted** the university's approach to the transition from LIBOR. The following points were noted in the discussion:

- [a] LIBOR was being discontinued and all banks were in the process of updating their documents. One part of our loan with Lloyds was at a floating interest rate that referenced LIBOR.
- [b] The paper outlined the various options for the timing and basis of the transfer from LIBOR. Option 1 to ensure that our loan facility was prepared for the cessation of LIBOR by transferring to the Sterling Overnight Index Average (SONIA) was the most likely. It was suggested that the Finance team seek external financial advice on the best route and discuss the recommendations with the sub-committee. Given the timing, the Committee was being asked to delegate authority to the Chair to give approval on the final decision. The Committee **agreed** with the proposed approach and to delegate authority to the Chair.

Cash investment returns [FIC20/40]

2020.047 The Committee **noted** the report on cash investment returns for the financial year to May 2021.

Treasury Management policy [FIC20/41]

2020.048 The Committee **considered** the updated Treasury management policy. The following points were noted in the discussion:

- [a] The key update related to a proposed increase to the counterparty monetary limits for investments via fund managers to £35m from £10m each, bringing the limits in line with the existing limits for named UK clearing banks, and also brought building societies into scope. It was also proposed to allow counterparties to have a minimum short term and long term rating from one of the three main credit rating agencies. The Committee **recommended approval** of the updated policy to Council.

Tuition fee regulations 2022–23 [FIC20/42]

2020.049 The Committee **considered** the tuition fee regulations for 2022–23. The following points were noted in the discussion:

- [a] The changes to the policy were minor. A source of funding that was no longer available had been removed. The policy confirmed the fee increase of 1.8% for continuing students which reflected inflation and the investment made to move teaching online. EU students would be charged at the international tuition fee rate reflecting the impact of Brexit and in line with the policy that had been introduced in 2021–22.
- [b] The student member said that any increase in tuition fees would not be welcomed by students. The Executive said that our unregulated fee rate was benchmarked at the midway point against other universities. The alternative was to charge a higher fee for the first year and maintain the level for the

duration of the course, an approach adopted by some other universities. The increase of 1.8% instead of the maximum 3% reflected student feedback.

- [c] The Committee **recommended approval** to Council of the tuition fee regulations for 2022–23.

Policies requiring approval [FIC20/43]

- 2020.050 The Committee **considered** the updated policies. The Committee **recommended approval** to Council of the following policies:
Financial Regulations;
Anti-Bribery and Corruption Policy;
Scheme of Delegation of Financial Authority;
Standards of Business Conduct; and
Fraud and Corruption Policy and Response Plan.

Committee Terms of Reference, Membership and effectiveness review [FIC20/44]

- 2020.051 The Committee **considered** the findings of the annual review of Committee effectiveness. The following points were noted in the discussion:

[a] A key action would be engagement with the incoming QMSU President on their induction to, and responsibilities on, the Committee before the start of next year.

[b] The Committee **approved** its Terms of Reference for 2021–22.

Annual schedule of business 2021–22 [FIC20/45]

- 2020.052 The Committee **approved** the indicative annual schedule of business for 2021–22.

Draft agenda for the next meeting [FIC20/46]

- 2020.053 The Committee **noted** the draft agenda for the next Committee meeting on 22 September 2021.

AOB

Financial gateways

- 2020.054 The Chief Governance Officer and University Secretary said that a dedicated Council briefing would be arranged to consider the financial situation once clearing and confirmation had finished.

Committee membership

- 2020.055 [a] It was the last meeting for Shamima Akter whose term as QMSU President would end in July. The Chair thanked her on behalf of the Committee for her positive contributions over the past year.
- [b] It was the last meeting for David Russell, who had been a co-opted member for eight years. The Chair thanked David on the Committee's behalf for his dedication and considerable contributions over that period.

Meetings in 2021–22

- Wednesday 22 September 2021 at 1530 hours, Robert Tong Room, Mile End.
- Wednesday 03 November 2021 at 1530 hours, Robert Tong Room, Mile End.
- Thursday 10 March 2022 at 1530 hours, Robert Tong Room, Mile End.
- Wednesday 15 June 2022 at 1530 hours, Martin Harris Room, Mile End.