

APPROVED

**MINUTES OF THE MEETING OF THE RESOURCES COMMITTEE HELD ON THURSDAY 9 NOVEMBER
2021 VIA MICROSOFT TEAMS**

PRESENT:	M X Wang (Chair) S Wylie (Deputy Chair)	D Hoyle J Bairamian	P Wales Dr P Bonfield
IN ATTENDANCE:	D Barratt L Cole (Minutes 21.12.1 to 21.12.12) C Hinge Professor A Hughes (Minutes 21.12.1 to 21.12.12) Professor M Kirkup (Minutes 21.12.1 to 21.12.12) Lamarque (Secretary)	R Poole I Wilmot J	E McMillan (Clerk to the Court) Mr P Murphy (Minutes 21.12.1 to 21.12.12) N Nelson (Minute 21.13)
APOLOGIES:	J Cappock (Company Secretary)		The Venerable Canon D Stanton

[**Clerk's note:** Immediately prior to this meeting, members attended a meeting of the Audit Committee where they agreed to recommend the draft annual report and financial statements for the year ending 31 July 2021 to the Court of Governors for approval]

21.10 ANNOUNCEMENTS

- 21.10.1 The Chair welcomed members and attendees to the meeting.
- 21.10.2 Members noted apologies for the meeting as recorded above.
- 21.10.3 Members did not declare any interest in the matters on the agenda.
- 21.10.4 The Chair confirmed there were no requests to discuss starred items or to raise any items of business not on the agenda.

21.11 ESTATES CAPITAL EXPENDITURE

Capital funding priorities and cashflow projections

- 21.11.1 Ian Wilmot, Director of Finance, presented a paper on capital funding priorities and cashflow projections (Document RES 211109Ai).
- 21.11.2 In response to members queries the Director of Finance confirmed that the projects listed are still to go through the planning process and have not yet been prioritised by the University Executive Board (UEB).
- 21.11.3 The Director informed members that cash generated as surplus informs the capital expenditure budget, with any underspend invested in assets or added to the cash reserves.
- 21.11.4 The Director briefed members on the governance process for capital expenditure projects, which includes discussion by the Physical and Digital Environment Group (PDEG) then consideration by UEB, Resources Committee and the Court of Governors as appropriate.

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- 21.11.5 A member asked how return on investment (ROI) is established and the Director explained that it varies depending on the nature of the project.

Estates capital expenditure proposals

- 21.11.6 Chris Hinge, Director of Estates, Planning and Services (EPS) presented the Harrow Halls Phase 4 and Regent Street roof and façade business cases (Documents RES 211109Aii and RES 211109Aiii).
- 21.11.7 In response to a member's query the Director of EPS confirmed that the quality of the insulation on the Regent Street roof would be improved, and double-glazed windows would be installed if approved by English Heritage.
- 21.11.8 **APPROVED** University to allocate funds to carry out Phase 4 of a planned 5 phase full refurbishment of Harrow Halls ([redacted]) and for assessment of Alexander Fleming ground floor ([redacted]).
- 21.11.9 **APPROVED** University to allocate funds for the repairs and enhancements of the roof, façade and windows of the Regent Street Building ([redacted]).

21.12 29 MARYLEBONE ROAD BUSINESS CASE

- 21.12.1 Linsey Cole, Director of Business Engagement (BE), Professor Alex Hughes, Deputy ViceChancellor (DVC) for Employability and Global Engagement and Professor Malcolm Kirkup Pro Vice-Chancellor for People and Culture and Head of Westminster Business School, presented the business case for the redevelopment of 29 Marylebone Road (MRD) into a Centre for Employability and Enterprise (Document RES 211109B).
- 21.12.2 The Director of BE outlined the vision for 29 MRD, its alignment with all the principles in our estates strategy and why 29 MRD is the only suitable location for the Centre.
- 21.12.3 The Director of Finance informed governors that the proposal is in line with the original rationale for purchasing the property in 2014 and confirmed that the building has already been stripped out, costings are for a high-end finish, and relevant contracts will be submitted to the Committee for approval.
- 21.12.4 A member asked if there are any metrics that could be applied in terms of employability of graduates and the Director of BE confirmed that the Graduate Outcomes survey is a key benefit and can be measured.
- 21.12.5 A member queried if the University had experience in undertaking a project like 29 MRD without going over budget. In response the Director of EPS informed members that the new Deputy Director Capital Development will ensure the project does not go over budget and is developed in a cautious and sensible way.
- 21.12.6 A member commented that there is a very clear argument that a refurbishment of the building will be a quicker option and asked if the build design can make the running of the building gold standard sustainable. The Director of EPS confirmed that the building has been designed based on SKA Gold with air source heat pumps and triple glazing.
- 21.12.7 In response to a member's query on the contingency fund, the Director of EPS informed members that the budget has allowed for the latest inflation figures and has contingency of 35% in the project costs.

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- 21.12.8 Philip Murphy, PDEG member, recommended that a fully costed hybrid refurbishment should be benchmarked against similar projects, that a fuller review on sustainability should be undertaken and oversight of the current costs should continue as it is a very volatile construction market.
- 21.12.9 The PDEG member commented that a new build would provide up to 40% more floor area than the proposed refurbishment and that would create additional long-term value. The Director of EPS responded that an independent review has been carried out, and benchmarking costs of a new build are more expensive per metre. The Director noted also that the overall cost of the refurbishment includes high quality fixtures and fitting, and the running costs and lifecycle, part of the SKA process, will be taken forward as a comparator.
- 21.12.10 A member asked if there was an advantage in considering both the refurbishment and new build options for a longer period. The Director of BE replied that this would incur more fees and the proposed refurbishment option delivers what the University needs in the required timescale.
- 21.12.11 Members discussed the benefits and challenges of the new build and refurbishment options in including building running costs, timing, sustainability, parallel evaluations and benchmarking, views of the local community, the building design and façade, and risk considerations.
- 21.12.12 The Chair thanked Philip Murphy for participating in the meeting.
- 21.12.13 **AGREED** Members recommend the 29 MRD business case to the Court of Governors subject to the following amendments to the cover sheet, business case and accompanying information:
- a) Inclusion of a summary of the risks of proceeding with the business case (in addition to the information provided on risks of not proceeding)
 - b) Commitment to benchmarking costs both against other options (i.e., rebuild costs) and industry standard costs at all key stages of the project
 - c) Summary document outlining the options appraisal that took place and how this led to the decision to recommend the refurb with enhancements option.

21.13 SAFETY, HEALTH AND WELLBEING UPDATE

- 21.13.1 Niamh Nelson, Head of Safety, Health and Wellbeing (SHW), briefed members on the work of the Being Safe Feeling Safe (BSFS) Group since the last meeting.
- 21.13.2 Members heard that the BSFS Group continues to meet weekly and recent discussions included contingency framework for education settings, vaccinations and rules on self-isolation, Tier 4 visas, ending quarantine support, asymptomatic testing on campus and the Students' Union welcome survey.
- 21.13.3 The Head of SHW also presented the Safety, Health and Wellbeing Annual Report for 2020/21 (Document RES 211109C) and reported on mental health and sickness absence trends, ventilation and thermal comfort, colleague turnover data and new legislation for 2021/22.
- 21.13.4 Members heard that the Organisational Development team have taken over the development of training and blended learning courses.
- 21.13.5 The Committee thanked the Head of SHW and her team for their work.

21.14 FIVE-YEAR FINANCIAL FORECAST

- 21.14.1 The Director of Finance presented the five-year financial forecast (Document RES 211109D), which includes the 2021/22 budget review.
- 21.14.2 Members heard that the forecast is based on the outcomes of student number planning meetings and was presented to the University Planning Committee (UPC) in April 2021.

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21.14.3 A member asked if key performance indicators (KPIs) and the role they play should be reconsidered and the Director of Finance responded that the University is working to reduce the staff costs percentage KPI; as the University is now above the sector average.

21.14.4 **AGREED** Members recommend the five-year financial forecast to the Court of Governors.

21.15 OFFICE FOR STUDENTS FIVE-YEAR FINANCIAL FORECAST WORKBOOK AND COMMENTARY

21.15.1 The Director of Finance presented the Office for Students (OfS) five-year financial forecast workbook and commentary (RES 211109D).

21.15.2 Members noted that the workbook will be uploaded to the OfS portal and will be signed off by the Vice-Chancellor following approval by the Court of Governors on 24 November 2021.

21.15.3 **AGREED** Members recommend the OfS workbook and commentary to the Court of Governors.

21.16 STRATEGIC PERFORMANCE REPORTS

Digital environment

21.16.1 Russell Poole, Director of Information Systems and Support, presented an update on strategic matters relating to the digital environment (Document RES 211109E).

21.16.2 Members heard that the Cyber Security internal audit report has not yet been concluded and will be submitted to Audit Committee in January 2022.

People, Culture and Inclusion

21.16.3 Duncan Barratt, Director of Human Resources and Safety, Health and Wellbeing, informed members that a recent internal audit on the Professional Development Review process confirms it is operating better than expected, with good engagement.

21.16.4 Members heard that a recent ballot for strike action by UCU (University and College Union) was unsuccessful.

Management accounts report

21.16.5 The Director of Finance presented the management accounts report for September 2021 (Document RES 211109F).

21.16.6 The Director reported that costs are as expected, invoices for student tuition fees have been sent, the Finance team are currently working on the Quarter 1 forecast and income is assessed to be better than budget.

21.17 MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING

21.17.1 **AGREED** Members confirmed the minutes of the meeting held on 9 September 2021 (Document RES 211109G) are an accurate record.

21.17.2 Members noted an update on actions and matters arising from previous meetings (Document RES 211109H).

21.18 TREASURY MANAGEMENT REPORT, STRATEGY AND POLICY REVIEW (INCL. INVESTMENT MANAGEMENT POLICY)

21.18.1 **AGREED** Members recommend the Treasury Management report, strategy and policy review (Document RES 211109I) to the Court of Governors¹.

¹ NB. Members agreed the Investment Management Policy at an earlier meeting Minutes Resources Committee, 9 November 2021 (redacted)

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21.19 FINANCIAL REGULATIONS 2021/22

21.19.1 **AGREED** Members recommend the Financial Regulations 2021/22 (Document RES 211109J) to the Court of Governors.

21.20 DEBT WRITE-OFF

21.20.1 **APPROVED** Members confirmed the write-off of a debt of **[REDACTED]** from subsidiary company Uniwest (Finance) Limited to the University of Westminster (Document RES 211109K).

21.21 ANY OTHER BUSINESS

21.21.1 Members did not raise any other items of business.

21.22 DATES OF FUTURE MEETINGS

21.22.1 Meetings will be onsite with the option to participate remotely via Microsoft Teams.

Thursday 20 January 2022 at 4.00pm**

Thursday 17 February 2022 at 4.00pm

Thursday 28 April 2022 at 4.00pm

Thursday 23 June 2022 at 4.00pm

** Provisional – only goes ahead if required to consider urgent major project proposals