

APPROVED

MINUTES OF THE MEETING OF THE FINANCE AND PROPERTY COMMITTEE HELD ON WEDNESDAY 30 JANUARY 2019 IN ROOM RS109 (VC'S BOARDROOM), 309 REGENT STREET

PRESENT: Mr G Morley (Chair) Mr P Murphy
Mr C Barnes (Deputy Chair) Ms H Owen
Dr P Bonfield The Venerable Canon D Stanton (item 18.18 to
Ms K McLeod 18.22)
Ms P Wales

IN ATTENDANCE: Mr C Hinge Mrs E McMillan (Clerk)
Professor A Hughes (item 18.18 and 18.19) Mr I Wilmot

APOLOGIES: Mr J Cappock (attendee)

18.18 ANNOUNCEMENTS

- 18.18.1 The Chair welcomed Professor Alexandra Hughes, Deputy Vice-Chancellor (DVC) (Employability and Global Engagement) to the meeting.
- 18.18.2 Apologies were received as noted above.
- 18.18.3 There were no new declarations of interest.
- 18.18.4 The Chair agreed to discuss the starred item - University of Westminster Students' Union financial statements 2017-18 (Minute 18.23).
- 18.18.5 The Chair confirmed that there were no requests to raise matters other than those on the agenda.

18.19 FINANCIAL IMPACT OF INTERNATIONAL PARTNERSHIPS

- 18.19.1 The DVC (Employability and Global Engagement) presented a summary of three sets of income and direct costs relating to international activities: international student recruitment; trans-national education (TNE); and the partnership with the Westminster International University in Tashkent (WIUT) (Document FIN 190130A).
- 18.19.2 The DVC reported that the three types of activity are complementary and that the TNE strategy is under review.
- 18.19.3 The Director of Finance confirmed that international activities support the University in a way that is common in the sector and is in line with budgeting and planning.
- 18.19.4 Members held a broad discussion with the DVC covering areas including:
- the differences between the WIUT partnership and other TNE activities and clarification of the strategic benefits derived from the WIUT partnership;
 - the financial benefits of international activities, which are often indirect;
 - other areas and territories in which strategic partnerships may be developed;
 - target countries for international recruitment; and
 - the support and residential options the University can offer international students.

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18.19.5 A member suggested that a discussion by the Court of Governors of the University's strategy for international activity may be beneficial.

18.19.5.1 **ACTION Clerk** to add the paper to the Court online Reading Room.

18.20 ESTATE STRATEGY 2018-23 – UPDATE

18.20.1 The Director of Estates Planning and Services (EPS) presented an update on progress in development of the new Estate strategy (Document FIN 190130B).

18.20.1.1 **ACTION Director (EPS)** to submit the missing appendix to the Clerk for circulation.

18.20.2 The Director reported that the consultation process has identified a number opportunities for the estate relating to the student experience and cost reductions. The University Executive Board (UEB) and other key staff will explore the opportunities at a workshop on 7 February 2019.

18.20.3 Members noted that the final Estate strategy is now expected to be considered by UEB, this Committee and the Court in February and March 2019.

18.20.4 Members held a broad discussion with the Director including:

- space utilisation;
- the purposes and opportunities for various University-owned buildings and sites;
- potential funding sources for development projects to deliver the strategy; and
- student residences.

18.20.5 The Vice-Chancellor stated that a high-level strategic discussion is required to deliver the best outcomes through our estate in a way that supports the success of the University.

18.21 STUDENT RESIDENTIAL STRATEGY 2018-23

18.21.1 The Director (EPS) presented an update on progress in development of the Student residential strategy (Document FIN 190130C).

18.21.2 Members noted progress in development of the strategy and held a broad discussion including:

- the University's aim for provision of accommodation for students;
- whether or not to outsource;
- how any construction and/or development of University-owned residential properties might be funded; and
- the relationship between residential accommodation and the student experience and wellbeing.

18.21.2.1 **ACTION Director (EPS)** to report to the Committee on whether or not there is an opportunity for the University to participate in regional schemes to provide student accommodation, and any deadlines for an expression of interest.

18.21.3 Members discussed with the Director the demand and provision of student accommodation for different student groups, e.g. first year students, international students, students from London and the surrounding areas.

18.21.4 A member queried the potential impact of any reduction in the cap for student fees.

18.21.4.1 **ACTION Vice-Chancellor** to provide a copy of the financial modelling for this potential change for the information of the Committee.

18.21.5 A member requested an update on the fire safety arrangements discussed at the last meeting of the Court. The Vice-Chancellor confirmed that he instructed the Director (EPS) to report to him on this matter.

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- 18.21.6 The Director confirmed that the development of the Estate strategy and the Student residential strategy are being addressed separately.
- 18.21.7 Members queried which committee of the Court has oversight of the University's Digital strategy and suggested this may be an appropriate committee due to interactions with the Estate strategy. A member suggested that the Court ought to set the vision for how the digital strategy supports the physical strategy.
- 18.21.7.1 **ACTION Chair** to seek guidance from the Court on which committee (if any) should have oversight of the Digital strategy.

18.22 UNIVERSITY FINANCIAL PERFORMANCE

Management accounts report

- 18.22.1 The Director of Finance presented the management accounts report to November 2018 - Period 4 (Document FIN 190130D).
- 18.22.2 The Director reported that the year to date actual Income and Expenditure performance for the first four months of the financial year is in line with the Quarter 1 2018-19 forecast and confirmed there is nothing of significance to bring to the attention of members.
- 18.22.3 Members put questions to the Director on:
- balance sheet movements between July and November 2018
 - the self-financed student debt position
 - the strategic investment fund
 - student recruitment
 - funds invested
 - longer term plans for cash holdings

Minimum cash balance

- 18.22.4 The Director of Finance presented a proposal to remove the requirement to maintain a minimum level of liquid cash reserves (Document FIN 190130E).
- 18.22.5 The Director asserted that this internally imposed requirement is unnecessary as it is not linked to any bank covenant; it does not impact on the day to day operations; and it costs the University to maintain. The removal would allow the University to invest further in longer term investment accounts thereby maximising investment returns.
- 18.22.6 The Director assured members that if the requirement is removed from the Treasury management policy he would continue to ensure through management of finances that the University has the minimum cash required to cover operating costs.
- 18.22.7 **AGREED** Members recommend to the Court an amendment to the Treasury Management policy to remove the requirement for a minimum level of liquid cash reserves.

18.23 UWSU FINANCIAL STATEMENTS 2017-18

- 18.23.1 Members received the University of Westminster Students' Union financial statements for the year ending 31 July 2018 (Document FIN 190130F).
- 18.23.2 A member queried whether the Students' Union's longstanding debt to the University is still being repaid through annual payments.
- 18.23.3 The Director of Finance informed members that the University deferred the 2017-18 payment and that the Students' Union have made a request for the University to write off the debt in return for delivery of additional activities to improve the student experience and against agreed performance objectives.

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18.24 MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING

- 18.24.1 **AGREED** The minutes of the Finance and Property Committee meeting held on 15 November 2018 (Document FIN 190130G) were agreed as an accurate record.
- 18.24.2 **AGREED** The minutes of the joint Audit Committee and Finance and Property Committee meeting held on 15 November 2018 (Document FIN 190130H) were agreed as an accurate record.
- 18.24.3 Members noted an update on completed actions from previous meetings (Document FIN 190130I).
- 18.24.4 **Financial regulations (Actions 18.14.2.1 and 18.14.4.1):** Members noted that the Court approved the updated Financial regulations as proposed by the Committee on 28 November 2018.
- 18.24.5 **Management accounts report (Action 18.3.5.1):** Members noted that the University Secretary and Chief Operating Officer (USCOO) had sent apologies for this meeting and therefore was unable to provide an oral update.
- 18.24.5.1 **ACTION Clerk** to request a response from the USCOO to circulate to members by email before the next meeting.

18.25 DATES OF FUTURE MEETINGS

- 18.25.1 Thursday 14 March 2019 at 4.00pm
Thursday 9 May 2019 at 4.00pm
Thursday 27 June 2019 at 4.00pm

All meetings are held in Room RS109 (VC's boardroom), 309 Regent Street.

18.26 ANY OTHER BUSINESS

- 18.26.1 Members did not raise any other matters for discussion.