



16 **THE MINUTES**

Approved

- 16.1 The Minutes of the meeting, held on 26 January 2011 (previously circulated), were confirmed and signed by the Chair.

17 **MATTERS ARISING (EXCLUDING THOSE ALREADY ON AGENDA)**

Noted

- 17.1 There were no matters arising from the last meeting.

Debtors were not causing concern at present. General debt was slightly up but ageing had improved, with debt over 1 year halved to only £1.2m since the previous 12 months. Student debt was up slightly in financial terms but as a % of annual fee income down 2%;

The cash actuals were marginally lower than what was reported last time. A new waterfall diagram had been introduced to try to report the changes slightly differently; The overseas operations would be reported on later in this Agenda, but were on track in terms of income and expenditure and cashflow.

Discussion

18.4 The **Director of Finance** also reported that an incentive scheme had been reintroduced so that faculties who over-perform would receive 50% of their overachieved surplus back subject to UCL's overall performance.

18.5 With regards to the tuition fees, UCL is working hard to avoid duplicate payments and fees are now visible to students on Portico. A communication had gone out in the Provost's newsletter to encourage students to use Portico.

19 **HEFCE GRANT ANNOUNCEMENT 2011-12**

Received

19.1 Appendix FC 3/34 (10-11) with Annexe 1.

Noted

19.2 UCL received details of its HEFCE Grant for 2011-12 on 14 March 2011 and the publication of grant details for all institutions on was issued on 17 March 2011.

19.3 The detailed UCL Budget for 2011-12 would be presented to the June 2011 meeting of the Finance Committee.

Discussed

19.4 The **Director, Financial Planning and Strategy** gave an oral update and explained how the grant for 2010-11 had been reduced prior to the 2011-12 grant adjustments being applied. Compared with the original grant announcement for 2010-11 there had been an overall cut of £6.1m (3%) to UCL's recurrent block grant. The teaching grant had been reduced by 8.3% (£5.7m) and the research allocation had been decreased by 0.4% (£0.4m). Furthermore, as expected, capital funding

(CIF 2) had been reduced by around 70% (£26m) p.a. This funding was not ring fenced so the allocation was not guaranteed over the 4 year period.

19.5 The Provost explained that the research allocation was funded from the Science Budget which had been ring fenced from the cuts imposed by the Government. This had therefore protected a greater proportion of UCL's block grant compared with the teaching intensive universities.

20 TUITION FEES 2012-13

Received

20.1 Appendix FC 3/35 (10-11) was a proposal for the home/EU undergraduate tuition fee for 2012-13.

Discussed

20.2 The **Vice-Provost (Operations)** gave an oral update. The proposal was for UCL to charge £9k for all home/EU undergraduate entrants from 2012-13 onwards. The above paper outlined the situation and summarised the proposals for England.

20.3 The main reasons for the proposal for UCL to charge £9k were the loss of the teaching grant for bands C and D and the decrease in bands A and B and the need to achieve financial sustainability. It was also proposed that it would be more beneficial for students for UCL to provide bursaries rather than set a reduced fee.

20.4 It would be important to manage student expectations by effective communication and ensure that investment in the student experience would be evident. UCL would be undertaking a number of transformative ventures over the next few years such as: a new BBA degree; investing in an estates plan; transforming facilities on the campus, student residences and accommodation and looking at developing facilities off site.

20.5 The quality of education would be maintained by recruiting and retaining quality staff and students, and new innovations in teaching and obtaining academic feedback will be developed (using KPI data to measure success).

UCL Finance Committee Minutes

21.6 Point to note: it was agreed that paragraph 7.4 would be amended to insert some further clarification of the targets.

Recommended

21.7 The Committee agreed to recommend the above Access Agreement to Council, subject to the amendment(s) to paragraph 7.4.

22 FINANCIAL FORECASTS TO 2013-14

Received

22.1

- 22.6 There was a query as to whether a profit could be made on research funding, however it was explained that this was not possible as grants are awarded to fund specific research costs and expenditure is strictly monitored. We also faced a reduction in the full economic cost (fEC) element of Research Council grants.
- 22.7 There was a discussion about UCL Business; a more detailed discussion about UCLB would take place at a later meeting.
- 22.8 The Committee agreed that the above forecasts could be submitted to HEFCE in April 2011.

***** OTHER MATTERS FOR DISCUSSION *****

23 UCL BLOOMSBURY MASTERPLAN UPDATE

Received

23.1 Appendix FC 3/38 (10-11).

Discussed

23.2 There was not sufficient time to discuss this item; it would be (nu)TJ/C2Ag10-a0 E

- 25.3 The Committee agreed that further investigation into this site could be progressed, but before the project could be approved a detailed paper including alternative options to access this accommodation and how it might fit into the overall UCL Estates strategy would be required. This subject would be brought forward to the June Finance Committee Agenda and further financial details would need to be provided.

***** MATTERS FOR FORMAL APPROVAL *****

26 UCL HOSPITAL TRUST - PROPERTY TRANSACTION

Received

26.1 Appendix FC 3/40 (10-11) with Annexe 1.

Discussed

26.2 As detailed in the above paper, the main change to the original deal related to the listing of the Middlesex Annex, the unwillingness of the UCLH Trust to agree an Option arrangement and confirmation that UCL would not wish to acquire the site for £18m in these circumstances. However, UCL has secured a right of pre-emption to acquire the site at market value up to 31 December 2015.

26.3 A request was made that for future transactions of this kind, it would be useful to be provided with forecast information and an illustration on what the impact would be on UCL's Income and Expenditure.

Approved

26.4 Finance Committee approved the amended terms of the property transaction with UCL Hospital NHS Foundation Trust.

27 TUITION FEES 2011-12

Received

27.1 Appendix FC 3/41 (10-11).

Approved

27.2 Finance Committee approved the tuition fee proposals for the Academic Year 2011-12.

one of these accounts would need to remain with Nat West until it had been repaid.

Approved

28B.5 Finance Committee approved:

The following signatories to be removed from the 'Signing Group 1' with immediate effect:

- Butcher M H, Deer P J, Dunk G, Gallyer M J, Hawkins K J, Huggins A K, Hunt N, Priestley H M, Roberts D H, Scully C, Speight P.

The following signatories to be removed from the 'Signing Group 2' with immediate effect:

- Ballantyne I, Bowtell K L, Coleman J L, Deer P J, Fincham A, Ponciano R, Waters R, Young R

The following signatories to be removed from the 'Undefined Signing Group' with immediate effect:

- J R, Hollier D, Lane R, Pollard A J, Roberts M B, Ruddling D

The following be added to the 'Signing Group 1' signatories:

- Grant M – Provost, Knight R - Vice-Provost (Operation), Grainger A - Director of Estates & Facilities, Nigel Waugh - Director of Human Resources

The following be added to the 'Signing Group 2' signatories:

- Woodhams A - Director of Finance, Arnold N - Director of

***** MATTERS FOR INFORMATION *****

29 CAPITAL PROJECTS UPDATE

Received

29.1

32