

PRESENT:

Mr Simon Melliss (*Chair*)

Professor Michael Arthur
(*Presiresiresi 0 1 26.61RESi*)

~~(*ce -Provost orations*)~~ ~~Mr NickMcDee~~ (*Secretary to Finance Committee*);
Ms Jialing ~~X~~ [*for Minute 39*].

Apologies for absence were received from Professor Sue Hamilton and Mr John Morgan.

Key to abbreviations used in these Minutes:

FC	Finance Committee
HEFCE	Higher Education Funding Council for England
HEI	Higher Education Institution
QR	Quality Research Funding
SMT	Senior Management Team
TRAC	Transparent approach to costing
UCLB	UCL Business PLC

<p style="text-align: center;">Preliminary Formal Business</p>

35 DECLARATION OF INTERESTS

Discussion

- 35.1 Any member of Finance Committee who had (or who knew of a family member who had) a material, personal, financial or other beneficial interest in any item on the Agenda was requested to declare that interest at the beginning of the meeting in order that such declaration could be recorded in these Minutes. No such interests were declared¹.

36 MINUTES

Approved

- 36.1 The Minutes of the meeting held on 14 November 2013 [*FC Minutes 16-34, 2013-14*] were confirmed by the Committee and signed by the Chair.

37 MATTERS ARISING FROM THE MINUTES

Received

- 37.1 APPENDIX FC 3/31 (13-14) – a note of matters arising from the last meeting.

37A Estates and Funding Strategy

Reported

- 37A.1 Work to refine the financial modelling behind the Estates and Funding Strategy was ongoing, with a view to testing it in terms of delivery outcomes against a range of assumptions; prioritising the capital programme; and developing recommendations for financing. A presentation and discussion on the matter were scheduled to take place at the away day on 24 February, and the Director of Finance would be arranging a workshop session on the afternoon of 11 March.

¹ Academic members of Finance Committee were requested to leave the room before final confirmation of approval of the decision on Revenue Sharing – see Minute 43 below.

successful in what had been a highly competitive bidding process and had exchanged contracts with Camden Council on the property on 23 January.

- 37C.2 The property would provide approximately c 42,000 sq. ft. (3,900 sq. metres) of office space and would be of great value in mitigating the space pressures faced by UCL in Bloomsbury. Significant effort was now being channeled into determining what activity could best be relocated to the site. Completion on the transaction was not expected until the autumn of 2014, but occupation could then begin rapidly as, depending on the ultimate use, the building would be ready for occupation.

Matters for discussion

38

Received

- 38.1 APPENDIX C 3/32 (13-14) – UCL's Transparency Review and commentary for the year ended 31 July 2013.

- 38.5 FC discussed the extent to which the TRAC data represented the most realistic financial picture available to UCL. A number of shortcomings in the methodology were noted, including the incorporation of QR income under the ‘own funded’ category in Annexe 3 (which thereby tended to overstate the loss on public- or Research Council-funded activity), and the basic principle of allocating central costs that were to some extent fixed (such as Finance and Business Affairs) on the basis of non-pay expenditure. Nevertheless, the adjusted financial picture at Annexe 2 was clearly important, and would help to inform the development of the Estates and Funding Strategy, due for detailed discussion at the Council/SMT/FC away day on 24 February.
- 38.6 An FC member noted with concern that the adjusted picture presented by the TRAC data was of a deficit of £59m rather than a surplus of £18m. It was noted however that, notwithstanding the impact on the bottom line, UCL’s rapid research growth in recent years was the principal indicator of success both in terms of public perception and in the view of Government. UCL’s reputation for research was fundamental to its ability to attract students and world-class researchers, which in turn fed further growth in research. The current debate reflected the fundamental strategic question of UCL’s appetite to continue to compete at a world-class level for the quality of its research in view of the adverse impact on the bottom line.

RESOLVED

- 38.7 **That the UCL annual TRAC return for 2012-13 be submitted to HEFCE.**

<p>Matters for approval or information</p>

39

Received

- 39.1 APPENDIX FC 3/35 (13-14) – a paper outlining proposed amendments to UCL’s Financial Regulations.

RECOMMENDED – to Council

- 39.2 **That the proposed revisions to UCL’s Financial Regulations (APPENDIX FC 3/35 (13-14)) be approved.**

40 **BANKING MATTERS**

Received

- 40.1 APPENDIX FC 3/36 (13-14) – a proposal requesting one addition to and one removal from the authorised signatories on the Barclays Bank mandate.

RESOLVED

- 40.2 **That the proposed changes to authorised signatories on the Barclays Bank Mandate (APPENDIX FC 3/36 (13-14)) be approved.**

41

Received

- 41.1 APPENDIX FC 3/37 (13-14) – the capital project dashboard dated 8 January 2014.