

BOARD OF GOVERNORS

FINANCE COMMITTEE

1030, Tuesday 14 November 2017, Room 0.32, St Andrew's Court

MINUTES

Present: Mark Readman, Chair of Finance Committee
Jenny Crighton, External Governor
Anne Lambert, External Governor
Professor Graham Galbraith, Vice-Chancellor
Baldev Laly, External Governor
Jane Hoskins, External Governor
Professor Nairn Wilson, External Governor

Clerks: Adrian Parry, Director of Corporate Governance
Helen Malbon, Senior Governance Officer

In attendance: Dr Liz Bartle, Deputy Director of Finance
Anna Clodfelter, Chief Executive of UPSU (Minute 38 only)
James Thompson, President UPSU
Dr Jenny Walden, Staff Governor (Minute 40 onwards)
Emma Woollard, Director of Finance

34 WELCOME, APOLOGIES, DECLARATION OF INTERESTS AND QUORACY

- i) Committee received and noted apologies for absence from Bishop Christopher Foster, External Governor and Dr Mohamed Hassan, Staff Representative;
- ii) Baldev Laly had previously recorded that he was involved in a property development business in Portsmouth. James Thompson, UPSU President reminded Committee that he also held the role of Company Secretary and Chair of the Board of UPSU trustees;
- iii) The Director of Corporate Governance confirmed that the Committee was quorate and could proceed to business.

35 MINUTES

The minutes of the meeting held on 10 October 2017 were confirmed as a correct record subject to changing the date to March 2018 in paragraph 29.4.

36 MATTERS ACTIONED SINCE THE LAST MEETING OR UNDER CONTINUING CONSIDERATION

Two items were noted, one on this agenda and one at a future meeting. Following the Board's acceptance of Committee's recommendation concerning the level of

directors' and officers' liability insurance, the level of cover had been increased to £10 million.

37 MATTERS ARISING

There were no matters arising.

38 UNIVERSITY OF PORTSMOUTH STUDENTS' UNION (UPSU) FINANCIAL STATEMENTS 2016/2017

Anna Clodfelter, Chief Executive UPSU, presented to the Committee for information a report on the UPSU Financial Statements, its Trustees' report and the accounts of Portsmouth Students' Union Trading Company Limited. In discussion, key points noted were:

- i) UPSU was a separate entity from the University but, in accord with the Education Act 1994, the Board of Governors had a responsibility to assure itself that UPSU was managing its finances appropriately and was properly accountable for its finances;
- ii) UPSU had adopted the Financial Reporting Standards (FRS) 102 for the first time for this 2016/2017 accounting period. The effect of this transition was summarised in note 26 of the Financial Statements;
- iii) For the first time, the Union's accounts showed a provision for the future liabilities due to the Students' Union Superannuation Scheme. The latest valuation of the liabilities as at 30 June 2016 showed the amount available to pay pension benefits in the future had declined when compared to its future liabilities. The Union, in common with other participating student unions, had to pay its share of the increased funding shortfall. A separate reserve had been created in the accounts due to the long-term nature of the liability;
- iv) Key highlights of 2016/2017 were a) the NUS Student Opportunities award for the Union's campaign tackling the alcohol culture in student sport and b) the progress of a collaborative Sport Strategy in partnership with the University's Sport and Recreation Team and the Department of Sport and Exercise Science (DSES);
- v) The question relating to student unions in the National Student Survey (NSS) had been changed to focus on academic representation with no opportunity to give feedback on other aspects of the Union's work. The NUS was campaigning to try and change this for next year;
- vi) This change in question had resulted in a lower score of 61% but the Union was working with the University to improve students' awareness of the academic representation that was already taking place. In addition, the Associate Deans (Students) were working closely with UPSU to review the Course Representative Structure and the Pro Vice- Chancellor (Education and Student Experience) was working to help embed the future Union objectives into the University through the work of the Student Experience Committee;
- vii) The funding model for University clubs and societies was under review in order to avoid some societies receiving more money than they required. Currently the allocation was based on how many people attend the club with no adjustments for the type of events, facilities or equipment required;

- viii) UPSU had guidelines for clubs on accepting sponsorship but most clubs would either fund raise for extra money or submit a bid to the various central funds that were available;
- ix) The Executive and Committee thanked the Union for their work and impressive results and thanked them for the supportive and productive relationship that they enjoyed with the University;
- x) Finance Committee noted the report and statements.

39 FACILITIES LETTERS – **confidential item**

40 PRIVATE PLACEMENT UPDATE – **confidential item**

41 FINANCIAL STATEMENTS 2016/2017– **confidential item**

42 FINANCIAL RESULTS 2016/2017

Emma Woollard, Director of Finance, introduced the report. Key points noted were:

- i) This report provided HEFCE with information about variances between the Financial Forecasts for 2016/2017, approved by the Board of Governors in July 2017, which were based on quarter 3 management accounts and the final 2016/2017 financial statements;
- ii) The report was a required element of the HEFCE suite of documents required under the Annual Accountability Return;
- iii) The contents of the Annual Accountability Return was likely to change for 2017/2018 due to the Office for Students taking on responsibility from April 2018. A briefing would be provided to the full Board on 23 November 2017 which would provide more detail on the possible changes
- iv) Finance Committee agreed to recommend the report to the Board of Governors for approval and submission to HEFCE.

Action: Emma Woollard

43 STUDENT RECRUITMENT 2017/2018

It was reported that student recruitment was broadly in line with targets and was within budget parameters. Additional cohorts would join in February 2018 for some nursing courses and apprenticeship degrees. The HEFCE census date for reporting upon student numbers was 1 December 2017.

44 QUARTER ONE MGT ACCOUNTS 2017/2018

Committee noted that quarter one Management accounts 2017/2018 would be circulated in December 2017.

45 HEFCE CIRCULARS

It was noted that HEFCE Circulars can be found at www.hefce.ac.uk/.

46 NEXT MEETING

- i) A joint meeting with the Estate and IT Committee would take place on Wednesday 13 December 2017, from 1400 to 1600 to consider proposals relating to the new Student Records system;
- ii) It was agreed that the additional meeting due to take place at 1600 on 13 December 2017 to discuss the revised Treasury Management Policy need not now take place and that this item could be considered at the meeting on Tuesday 30 January 2018.

47 DELEGATION OF AUTHORITY TO CHAIR

Committee agreed to give the Chair and, if required, the Deputy Chair, delegated authority to take Chair's action over the summer to approve any necessary items.