

INFRASTRUCTURE AND FINANCE COMMITTEE

TIME /DATE / VENUE	1030, Tuesday 15 September 2020, Google Meet
PRESENT	Jenny Crighton (Chair) Roger Burke-Hamilton Professor Graham Galbraith Liz Jolly Vineet Khurana David Willan Christopher Williams
IN ATTENDANCE	Fiona Bell, Director of Estates and Campus services, (Minute 12 only) Mark Carter, Deputy Director of Finance (Management Information) (Minute 15 only) Anna Clodfelter, UPSU President, (Minutes 9 and 10 only) Paul Drohan, Investment Manager (Minutes 5 to 8) Professor Paul Hayes, Deputy Vice-Chancellor (Minute 11 only) Hayley Turner-McIntyre, UPSU Officer Julian Lintell-Smith, Interim Director of Information Services, (Minute 14 only) Bernie Topham, Deputy Vice-Chancellor and Chief Operating Officer Catherine Carrol-Meehan, Staff Governor (excluding Minutes 7 to 10) Dr Jon Ward, Chief Information Officer from 21 September 2020 (Minute 14 only) Emma Woollard, Executive Director of Finance
SECRETARIAT	Adrian Parry, Executive Director of Corporate Governance Helen Malbon, Senior Governance Officer
	To accommodate availability of staff, some agenda items were taken out of the published order.

1 Welcome, apologies, declaration of interests and apologies

- 1.1 Apologies were received from external governors: Bishop Christopher Foster, Mark Cubbon and Jane Hoskins and Staff Representative. Giorgio Bondoni.
- 1.2 On behalf of Committee, the Chair welcomed new governors Liz Jolly and Vineet Khurana and UPSU Officer Hayley Turner-McIntyre to their first meeting of Committee.
- 1.3 There were no interests to declare.
- 1.4 The Clerk confirmed the meeting was quorate and could proceed to business.

2 Minutes of the previous meetings

The minutes of the meeting held on 24 June 2020 were confirmed as an accurate record.

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Confirmed - public

3 Matters actioned and matters arising

3.1 Action was reported on eight items: two were for note, three would appear on a future agenda and three were covered later in the meeting.

3.2 **Confidential item**

4 Terms of reference, membership and committee business

4.1 The Executive Director of Corporate Governance stated that each Committee of the Board was required to review its constitution on an annual basis to (a) ensure that these remained fit for purpose and (b) that the committee had properly discharged its terms of reference through the business undertaken during the previous academic year.

4.2 Committee discussed the assessment of business conducted against the terms of reference for 2019/2020:

- i. It was noted that although item 2b contained two key strategic items, that of the Estates masterplan and the IS Strategy, it was appropriate that they were combined for these purposes.
- ii. Although little consideration had been given to the University Environmental Policy during the year, the new University Strategy had a focus upon sustainability and climate related matters. Committee was informed that the Executive was giving consideration to where the focus for this strand of the University Strategy should rest within the committee structure.
- iii. The Committee's overarching purpose was to be 'proactive and innovative in the way that it seeks to add value to the University's success and to the continued attainment of its strategic objectives'. Following discussion, it was agreed that the Committee should consider an effectiveness survey similar to that which the Human Resources Committee had recently undertaken. The responses could then help inform a discussion on how the Committee added value in its work.

Action: Executive Director of Corporate Governance

iv. Committee concluded that it had discharged its terms of reference during 2019/2020.

Post meeting note it was noted that section 2a should refer to June 2020 Covid Financial Strategy and not the June 2019 Budget.

4.3 Discussion took place on the proposed terms of reference for 2020/2021 and consideration given to the proposed changes outlined in the report. The proposals reflected (a) alignment with the new instrument and articles of government, (b)

changes in job titles and (c) the incorporation of an increased number of external governors within the Committee's membership during 2020/2021. Committee agreed these amendments and following a discussion on the role of Committee in facilitating and ensuring cohesive strategic debate, concluded that no further changes were needed at this stage. It agreed the revised terms of reference for 2020/2021.

- 4.4 Committee discussed the outline Committee business for 2020 /2021. It was noted that the document would be updated as required. Committee agreed that it reflected the current anticipated business and timing of likely required approvals.

5 Treasury Management Review

Paul Drohan, Investment Manager, introduced the paper which proposed updates to the Treasury Management Policy, which would improve clarity and capture credit rating and operational changes. Key points noted were:

- i. The University's Treasury Management Policy stated that the Policy would be reviewed annually and any changes approved by the Infrastructure and Finance Committee.
- ii. A review of the University's risk appetite for investment was scheduled for the March 2021 meeting of Committee, and an Ethical/Sustainable Investment Policy had been drafted and would be presented to Committee once Executive approval had been received. Both of these areas of work would potentially also require amendments to the Treasury Management Policy.
- iii. Consequently, the current review focussed on improving clarity, reflecting rating changes and capturing operational revisions.
- iv. It was confirmed that Goldman Sachs was the only external firm involved in managing University cash.
- v. Committee agreed the amendments to the Treasury Management Policy

6 Goldman Sachs – confidential

7 Annual Treasury and Investment Report 2019/2020 – confidential

8 Foreign Exchange Account – confidential

9 University of Portsmouth Students' Union (UPSU) Budget 2020/2021

Anna Clodfelter, Chief Executive of UPSU, introduced the UPSU Budget for the financial year 2020/2021. Key points noted were:

- i. The UPSU Group Budget for the financial year 2020-21 was based upon principles agreed by the Union Leadership Team in May 2020, approved by UPSU's Finance and Risk Committee in June 2020.
- ii. Despite the limitations imposed by the Covid-19 landscape, budgeting work had continued and a detailed and finalised budget had been approved by the Union Finance and Risk Committee on 1 September 2020. This would be presented for formal adoption by the Union Trustees in October 2020.
- iii. The proposed 2020/2021 budget was a deficit budget funded from UPSU reserves. UPSU reserves remained budgeted to be within required funding levels for the year 2020/2021.
- iv. A 10% drop in block grant had been agreed with University and it was assumed that the Union's trading subsidiary (PSUT) would break even, compared with a £73k surplus in FY19/20 (a consequence of the impact of the Covid-19 pandemic) and £146k in FY18/19.
- v. No overall cost of living rise had been applied to staff salaries in the 2020/2021 budget.
- vi. A Pension Deficit contribution had been reintroduced into the annual budget whereas previously it had been pre-paid. This had contributed to surpluses in the last two years.
- vii. The Committee noted the budget on the Board's behalf as part of its duty to 'take such steps as are reasonably practicable to ensure that the Students' Union... is accountable for its finances. (Education Act 1994)' (Statement of Primary Responsibilities).

10 Memorandum of Understanding (MoU)

Adrian Parry, Executive Director of Corporate Governance, introduced the paper which was for note. Key points noted were:

- i. A document of this nature was required to help to demonstrate that the University had complied with its duties under The Education Act 1994. This required the University to ensure that the Students' Union acted as a responsible custodian of public funds.

- ii. Clause 19 of the Memorandum stipulated that a formal review should be undertaken in September each year, which should consider whether either party wished to propose any changes to the MoU.
- iii. Both parties had confirmed that no changes were required to the current version, which had been last approved in September 2019. The MoU provided the facility for either party to propose changes at any time.
- iv. The Infrastructure and Finance Committee noted that a review of the MoU had been conducted place and that no revision had been required for 2020/2021.

11 Student Recruitment – confidential item

12 Director of Estates and Campus Services report – confidential item

13 Executive Director of Finance Report

Emma Woollard, Executive Director of Finance, reported on a number of items. Key points noted were:

- i. Work continued on preparing to deliver a blended form of learning from the start of the autumn term on 5 October 2020 and significant additional expenditure was required to deliver this activity. This work was ongoing and the additional costs would be reported in more detail in the first set of management accounts, available in October 2020.
- ii. The Office for Students (OfS) had made changes to the reporting dates for the Financial Statements and the Financial Forecasts.
- iii. Previously the reporting deadline for all returns was 30 November 2020. The OfS now required early data to be reported by 30 October 2020, covering the unaudited results for 2019/2020 and forecasts for 2020/2021.
- iv. The deferment of the start of the academic term to 5 October 2020 meant that these forecasts would still be uncertain at 30 October 2020 and the University would ensure that the OfS were aware of the uncertainties inherent in this early data. These forecasts would be approved by the Accountable Officer (the Vice-Chancellor).
- v. The Financial Statements need not be submitted until 31 January 2021. However, the University Executive felt that it was beneficial to remain with the planned timeline of presenting the draft statements to Committee on 30 September 2020.

The final statements would then be submitted to Infrastructure and Finance Committee, Audit and Quality Committee and the Board for approval in November 2020.

- vi. There would be challenges associated with completing the Financial Statements to this timescale but if it was necessary to revise this timetable, governors would be alerted as soon as possible.
- vii. The revised Financial Forecasts submission deadline to the OfS was 31 January 2021. Following discussion with the Executive Director of Corporate Governance, the Executive Director of Finance recommend a delay to the completion of these Forecasts until January 2021 so that the autumn update of the 2020/2021 budget and more reliable estimates of student numbers could be used to provide the core data within the Forecasts.
- viii. The proposed approach was that the Financial Forecasts would be presented to the Board on 20 January 2021. Prior to that meeting, the Forecasts would be circulated electronically to IFC members for any questions of detail as issues of timing precluded their formal submission to a meeting of the Committee.
- ix. Committee noted and supported the proposed approach to approving the Financial Statements for 2019/2020 and the Financial Forecasts for 2020/2021.
- x. OfS Reportable event – **confidential item**
- xi. Procurement regulations – **confidential item**

14 Interim Director of Information Services report

Bernie Topham, Chief Operating Officer, introduced Julian Lintell-Smith, Interim Director of Information Services and Jon Ward who would join the University as Chief Information Officer on 21 September 2020. The Chief Information Officer role would replace the Director of Information Services role. Committee welcomed both to the meeting. Committee noted the overview report that covered:

- i. Director's Overview:
 - a. A new scheme had been introduced for long term laptop loan for eligible students to help them with their studies,
 - b. A bursary was now available for students to apply for if they do not have sufficient internet access and met the eligibility criteria.
 - c. Investigation was continuing into new technologies using cloud based computing to assist computing intensive courses.
- ii. Service delivery:



- a. Confirmation and Clearing was the key business event in the summer recess, with set up starting in July and continued through August. The telephone system and IT infrastructure had performed as designed throughout clearing.
- b. There were no major incidents or problems causing large-scale disruption during this period. The minor incidents which did occur did not significantly affect staff or students.
- c. In the same period, several other IS-based initiatives had been undertaken to significantly enhance the educational experience for some students.

iii onwards confidential item

15 Management accounts – confidential item

16 Office for Students (OfS) circulars

Committee noted that OFS circulars could be found on their website at:

<https://www.officeforstudents.org.uk/publications/>

17 Date of next meeting

The next meeting would take place at 1030 on Wednesday 30 September 2020.

18 Delegated authority

Committee agreed to delegate to the Chair, or nominated Deputy, authority to take any required Chair's action before the next meeting.