

INFRASTRUCTURE AND FINANCE COMMITTEE

TIME /DATE / VENUE	1030, Tuesday 26 January 2021, Zoom conference
PRESENT	Jenny Crighton (Chair) Roger Burke-Hamilton Bishop Christopher Foster Professor Graham Galbraith Jane Hoskins Liz Jolly Vineet Khurana (up to minute 49) David Willan (Minute 47xii onwards) Christopher Williams
IN ATTENDANCE	Dr Liz Bartle, Deputy Director of Finance (Fin Sys), (Minute 45 only) Fiona Bell, Director of Estates and Campus services, (Minute 48 only) Mark Carter, Deputy Director of Finance (Mgt Info), (Minute 46 only) Paul Drohan, Investment Manager (Minute 47 only) Hayley Turner-McIntyre, UPSU Officer Bernie Topham, Deputy Vice-Chancellor and Chief Operating Officer Dr Catherine Carrol-Meehan, Staff Governor (Minute 46 onwards) Jon Ward, Chief Information Officer (Minute 50 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.
	An updated version of the TRAC agenda paper was tabled.

42 Welcome, apologies, declaration of interests and apologies

- i. Apologies for absence were received from External Governor, Mark Cubbon; Staff Representative, Giorgio Bondoni and Staff Governor, Dr Jenny Walden.
- ii. There were no interests to declare.
- iii. The Clerk confirmed that the meeting was quorate and could proceed to business.

43 Minutes of the previous meetings

The minutes of the meeting held on 10 November 2020 were confirmed as an accurate record.

44 Matters actioned and matters arising

Action was reported on seven items: six were noted and Committee endorsed the single tenders approved in November 2020.

45 Costing and Pricing Annual TRAC report 2019/2020 – confidential item

46 Covid 19 Financial Strategy and budget – confidential item

47 Ethical Investment Statement

Paul Drohan, Investment Manager, introduced the item. Key points noted were:

- i. The proposed Ethical and Sustainable Investment Statement outlined the University's position on ethical investment and would inform its approach to treasury and investment management.
- ii. To integrate the Ethical and Sustainable Investment Statement into the University's existing policies, it was necessary to make some amendments to the Treasury Management Policy, including revising the title of that Policy to Treasury and Investment Management Policy (TIMP).
- iii. The Statement would apply to all financial investments whether held directly or indirectly through pooled investment arrangements. This would exclude the University's main operating bank accounts and its subsidiary companies, whether denominated in sterling or foreign currency, until the completion of the next banking services tender.
- iv. The statement showed that the University was seeking to adopt an ethical and sustainable approach to its investments, by acknowledging and integrating environmental, social and governance (ESG) factors within its investment decisions.
- v. This integration of ESG factors embodied the following principles:
 - a) The University would not invest in organisations, or would dispose of existing investments, in the following circumstances:
 - i. Where the investment might conflict, or be inconsistent, with the aims, objects or activities of the University
 - ii. Where such an investment might hamper the work of the University either by alienating current or potential financial donors; by alienating current students and staff; or by having a material impact upon applications from potential students
 - iii. Where an investment is not excluded by (i) or (ii) above, but is considered by the University Executive Board to be unethical.



- b) To support University initiatives to become climate positive by 2030, the University would seek to balance the ethical and sustainable characteristics of its investments with the financial objectives about security of capital and return on investment, as stated in the TIMP.
 - c) The University would invest in a manner which was aligned with the delivery of the United Nations 2030 Agenda for Sustainable Development, and its associated Sustainable Development Goals (SDG).
 - d) The University would adhere to Charity Commission guidance on investment matters at all times.
 - e) The University acknowledged that there was a distinction between its investments and other collaborations, partnerships and activities which it undertook to achieve its mission. This would be considered by the Executive on a case-by-case basis.
 - f) The University expected its Fund Managers, as part of their normal investment research and analysis process, to take account of ESG considerations in the selection, retention and realisation of investments.
- vi. Endowment investments represent donated funds held by the University for specific purposes over a medium to long term. This time horizon means that funds would be held in a wide range of asset classes. The relevant practices for endowment and other long term investments were noted.
 - vii. Treasury investments were used to manage the cash flows of the University in accordance with the TIMP. These investments had a maximum time horizon of three years and could only be held in a restricted list of investment instruments specified in Appendix 1 of the TIMP. The relevant practices for treasury investments were listed within the report and noted.
 - viii. The current ethical investment policies that were being applied by the managers of the University's treasury investments were noted. In relation to one external firm, the University was able to request changes to their policy to meet the requirements of this Statement.
 - ix. An annual report on Investment Management would continue to be received by the University Executive Board and Infrastructure and Finance Committee. The Investment Manager would continue to monitor all funds on a regular basis, receiving reports from external fund managers where appropriate.
 - x. Once the statement was approved by Committee, UEB would begin to receive recommendations to move existing funds to begin to meet the aspirations it outlined.
 - xi. It was acknowledged that Charity Commission principles would take precedence over others if there was a perceived conflict.

- xii. Committee noted the relatively low starting point for a green target but accepted that at this time there were few suitable products available in the market.
- xiii. In discussion, it was agreed that mining should be considered from an ethical perspective with regard to working conditions within the industry as well as from a climate impact perspective.

Action: Investment Manager

- xiv. The Executive had discussed the topic at length and had noted how the extension of these principles might have an impact upon future course content and partnerships.
- xv. Committee thanked the team for all the work undertaken to prepare the statement and agreed to approve the Ethical and Sustainable Investment Statement and the required changes to the Treasury Management Policy necessary to incorporate the Statement.

48 Estates and Campus Services update

Fiona Bell, Director of Estates and Campus Services introduced the item, which provided an update on the following topics:

- i. Student Accommodation: The University had confirmed an 80% discount on rents for 6 weeks from 4 January 2021 for students with accommodation contracts for University owned accommodation who were unable to return to their accommodation due to the latest government Covid-19 pandemic restrictions. Nominations partner Unite Students was offering a 50% discount on rent for 4 weeks from 18 January 2021 for eligible students and The Student Housing Company was offering 50% discount on rent for 6 weeks from 5 January 2021 for eligible students. Eligible students were those who are unable to return to their accommodation due to the government's Covid-19 pandemic restrictions.
- ii. The University had agreed a shorter academic year for 2021/2022. Consequently, there were implications for University and nominations provider accommodation contracts, which would need to be addressed.

iii to xv) confidential items

49 Executive Director of Finance Report – confidential item

50 Chief Information Officer Report – confidential item

51 Management accounts to 30 November 2020

The updated year-end figure for 2020/2021 found in the financial forecasts (issued to the Board on 20 January 2021) showed an improved position which would be reflected in the December 2020 management accounts.

52 Office for Students (OfS) circulars

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

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

53 Date of next meeting

The next meeting would take place at 1030 on Wednesday 17 March 2021.

54 Delegated authority

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