## TIME /DATE / VENUE
1030, Wednesday 23 June 2021, Zoom conference

## PRESENT
- Jenny Crighton (Chair)
- Roger Burke-Hamilton
- Bishop Christopher Foster
- Professor Graham Galbraith (from Minute 73)
- Jane Hoskins (Minute 74, 75 and 79 to 81)
- Liz Jolly (from Minute 73)
- Vineet Khurana
- David Willan
- Christopher Williams

## IN ATTENDANCE
- Fiona Bell, Director of Estates and Campus Services (Minute 78 only)
- Mark Carter, Deputy Director of Finance (Mgt Information) (Minute 74 only)
- Hayley Turner-McIntyre, UPSU Officer
- Bernie Topham, Chief Operating Officer and Deputy Vice-Chancellor
- Dr Catherine Carroll-Meehan, Staff Governor
- Jon Ward, Chief Information Officer (Minute 76 and 77)
- Emma Woollard, Executive Director of Finance

## SECRETARIAT
- Adrian Parry, Executive Director of Corporate Governance
- Helen Malbon, Senior Governance Officer

To suit availability, some agenda items were taken out of the published order.
Due to the tight timescale involved in its production, the Budget 2021/2022 paper was tabled after the circulation of the main papers.

### 70 Welcome, Declaration of Interests and Apologies

i. Apologies for absence were received from External Governor: Mark Cubbon
   Staff Governor (job share): Dr Jenny Walden; and Staff Representative: Giorgio Bendoni.

ii. There were no interests to declare.

iii. The Clerk confirmed that the meeting was quorate and could proceed to business.

### 71 Minutes of the Previous Meeting

The minutes of the meeting held on 17 March 2021 were confirmed as an accurate record.
72 Matters Actioned and Matters Arising

Action was reported on five items which were noted.

73 Election of Chair 2021/2022

Adrian Parry, Executive Director of Corporate Governance, provided the Committee with an update upon membership and related matters following the meeting of the Nominations Committee held on 22 June 2021. Key points noted were:

i. Following the election of Jenny Crighton as Chair of the Board, a new Chair of the Committee should be appointed to serve from 1 August 2021.
ii. A formal call for nominations for the role of Chair would be issued shortly, with appropriate timescales to ensure that an appointment was made before 1 August 2021. If more than one candidate was nominated then an election would be held.

Action: Executive Director of Corporate Governance

iii. One informal offer had been received to undertake the role on a temporary basis for one year, although the normal term of appointment was for three years.
iv. It was noted that the Nominations Committee would recommend to the Board that two new external governors should be recruited to enhance the finance and/or audit skills and expertise within the Board of Governors.

v. The election of a Deputy Chair would take place prior to the Committee’s meeting of 22 September 2021.

vi. Committee endorsed this approach.

74 Budget 2021/2022

Emma Woollard, Executive Director of Finance, presented the Budget for 2021/2022. Key points noted were:

i. The 2021/22 budget aimed to maximise expenditure to support the University’s strategic ambitions, as outlined in the Vision 2030 and Strategic Plan 2025. For 2021/22 a particular focus had been placed upon:
   a) Reversing the ongoing decline in Home/EU full-time undergraduate applications and boosting the conversion of applications;
   b) Improving the student experience and reducing variation in outcomes across courses and student groups;
   c) Rapidly improving graduate employment;
   d) Focusing research and innovation efforts on engaging with thematic areas and international collaborations, raising more Research and Innovation income and surplus, and increasing funded postgraduate research.

ii. Income was budgeted to be £289 million in 2021/2022, compared to £275.8 million forecast for 2020/2021, an increase of 4.8%.

iii. The 2021/22 budget projected a deficit of £10 million, although the University had significant cash balances and could support this deficit.

iv. Current indications were that the 2020/2021 accounts would show a small surplus for the year.

v. Confidential minute
vi. The sector faced significant risks and uncertainties in the medium term, so targeted investment in the delivery of the University Strategy was essential for helping to mitigate future risks with confidence.

vii. Some investment in staffing was included to support the creation of high-level leadership for the delivery of the strategic themes outlined in the University Strategy, such as new Associate Pro Vice-Chancellor roles.

viii. The most significant risks to the delivery of the budget were likely to be caused by events in the external environment, over which the University had little control such as Government policy on student fees and funding.

ix. A review of the 2016 Estate Master Plan was imminent, as it was now five years since this had been initially approved and the University now had a new 2025 Strategy. This review would inevitably lead to changes to planned expenditure.

x. An estate condition survey was underway to ensure that buildings required in the medium term could remain fit for purpose. Data would also be gathered to predict the amount of staff office space that might be required if post-pandemic hybrid working patterns were adopted. In addition, work was underway to estimate requirements for teaching space and student living accommodation for the next five years.

xi. Confidential minute

xii. The University had begun a review of the undergraduate course portfolio, supported by external consultants. It was imperative to ensure that the courses offered were those that applicants wished to study and provided graduates with the skills, knowledge and attributes to succeed in their chosen careers.

xiii. Confidential minute

xiv. The key dates for tracking income and expenditure over the course of the year were known and the budget was monitored accordingly. For example, the HESES return of student numbers was the most significant census point for determining the University’s student income.

xv. Following discussion, Infrastructure and Finance Committee agreed to recommend the 2021/2022 Budget to the Board of Governors for approval.

Action: Executive Director of Finance

75 Executive Director of Finance Report

Emma Woollard, Executive Director of Finance, provided an update to the Committee on the following issues:

i. Financial forecasts:
   a) The Annual Return was due for submission to the Office for Students (OfS) by the end of February 2022. This return included the Financial Statements, the Financial Forecasts, which incorporated the Finance HESA return.
   b) The Financial Statements and Forecasts both required formal approval by the Board of Governors. The Financial Statements would be completed to the usual timescales, with the audited accounts presented in November 2021 to relevant Committees and then to the Board for approval.
c) The Forecasts would be prepared for approval in January 2022 and would be considered by Committee on the 19 January 2022 prior to submission to the Board on the 25 January 2022.
d) The Committee endorsed this approach.

ii. Recurrent grant 2021/2022: The OfS was consulting on the distribution of funding and had not yet published its conclusions. The OfS proposal was to reduce funding for some mid-band subjects by 50% and to transfer the funding released to high cost and nursing provision. Based on the model the OfS had provided, it was likely that the University would be a net beneficiary of this revised approach, with the Faculty of Creative and Cultural Industries likely to experience a reduction in its income while the Faculties of Technology and Science and Health were likely to receive an increase.

iii. Committee noted the report and supported the approach outlined.

76 Cyber Incident Report

Jon Ward, Chief Information Officer (CIO), provided an overview report. Key points noted were:

i. In April 2021, the University had experienced a cyber-attack which had impacted upon a considerable number of services, computers and the IT infrastructure.

ii. Nine weeks after the attack was identified, a sustained effort had resulted in considerable progress with the majority of systems now restored and available, with no evidence to date to suggest that any data had been lost.

iii. The event had highlighted a number of areas of strength in cyber-security for the University but also a number of areas for further improvement and some legacy issues that would be resolved.

iv. confidential

77 Chief Information Officer Report – confidential item

Jon Ward, Chief Information Officer (CIO), provided an overview report. Key points noted were:

i. The two months that followed the cyber incident had involved unprecedented levels of activity for the IS Department. This had impacted upon the progress and delivery of “business as usual” activities and many active projects.

ii. confidential

78 Estates and Campus Services Update – confidential item

79 Project Board Summary

i. Adrian Parry, Executive Director of Corporate Governance, reminded Committee that under its terms of reference, the Committee received progress updates from relevant project boards.

ii. As good practice, the current Infrastructure and Finance related project boards and their associated governor membership were noted at the final meeting of each academic year:
a) Sports Centre Project Board: David Wilding  
b) Academic Building on the former-Victoria Site Project Board: Chris Williams  
c) Student Systems Project Board: Roger Burke-Hamilton  

iii. The Nominations Committee had determined two criteria for deciding whether governor membership of project boards was required: (a) whether the project had a financial value greater than £3 million and/or (b) had a high potential reputational impact.  
iv. Committee noted the update.

80 2019/2020 Annual TRAC Return Amendment

i. As required by the OfS, Committee had approved the TRAC return in January 2021 and the return had been submitted to the OfS in February 2021.  
ii. The OfS had subsequently requested an amendment to the UKRI charge out rates calculations provided in the 2019/2020 TRAC return, resulting in an increase to the 2019/2020 charge out rates.  
iii. The amendment had been recommended by the Deputy Director of Finance (Financial Systems) and the Senior Deputy Vice-Chancellor (in the Vice-Chancellor’s absence), and the return had been re-submitted to the OfS in May 2021.  
iv. Infrastructure and Finance Committee noted that the amended 2019/2020 TRAC return had been submitted to the OfS.

81 Management Accounts to 30 April 2021

Committee noted the management accounts for the University and its subsidiaries to 30 April 2021. Key points noted were:  
i. A small surplus position (£2.3 million) was expected for the University in 2020/2021, which was significantly better than projected in the summer of 2020 when forecasts of student numbers had been pessimistic across the whole sector.  
ii. Committee noted that some uncertainties remained due to (a) fee income having been calculated in advance of fully reliable reports for student numbers, invoicing and debt collection; (b) debt being collected as lockdown continued; and (c) the costs of running a Covid-secure campus were still subject to frequent change.  
iii. Subsidiary companies were forecast to deliver income that was £12k below budget at £2,198K (albeit with variances by company against budget), and expenditure that was £13k less than budget at £2,181K leading to an overall surplus of £17k, which was broadly on budget.  
iv. TEPL and ASTA forecasts in particular could still be impacted by the economic climate.  
v. Committee noted the management accounts.

82 Office for Students (OfS) Circulars

Committee noted that OfS circulars could be found on their website at:  
https://www.officeforstudents.org.uk/publications/
83 Record of Thanks

Thanks were recorded for those members for whom this was their last Committee meeting before their term of office ended or their role changed:

i. Giorgio Bendoni would finish his three-year term of office as Staff Representative on the Committee on 31 July 2021. He was thanked for his contribution. He continued in his role of Senior Teaching Fellow in the Portsmouth Business School. Once appointed, the Chair of IFC from 1 August 2021 would be consulted about appointing a successor to Giorgio.

   Action: Executive Director of Corporate Governance

ii. Hayley Turner-McIntyre finished her term of office as UPSU Elected Officer on 30 June 2021. Hayley was commended for her invaluable input, providing excellent insight on the student perspective. Michael (Mike) Kiddell, UPSU Development Officer, would take over from Hayley on 1 July 2021.

iii. Bishop Christopher Foster joined the Board in February 2014 and finished his term of office on 31 July 2021. He was thanked for his dedicated support for the University whilst delivering a busy and demanding ‘day job’. Committee wished him a happy retirement in Somerset.

iv. Jane Hoskins joined the Board in August 2013 and would finish her term of office on 31 July 2021. As Chair of the Board from August 2017, she had been an ex-officio member of IFC since its formation in April 2019 and Finance Committee before that. Committee thanked her for her considerable contribution to meetings and for her support to other governors and senior postholders outside meetings.

v. Committee thanked Jenny Crighton for her high calibre chairing of the Committee since August 2019. This was the last IFC meeting she would chair, although she would remain in this role until 31 July 2021. She would become an ex-officio member of IFC from 1 August 2021, when she would become Chair of the Board. Jenny had joined the Board in August 2017 and became the first elected Chair of the newly formed IFC in August 2019. She had established firm foundations for its development and had ensured that the Committee worked in a challenging yet supportive way.

84 Date of next meeting

The next meeting would take place at 1030 on Wednesday 22 September 2021 from 1030 to 1330.

85 Delegated authority

Committee agreed to delegate authority to the Chair to take any required Chair’s action before the next meeting.