



## FINANCE COMMITTEE

Thursday 15 November 2018 at 10.30 a.m. in the Council Room,  
South Wing G12, Gower Street, London, WC1E 6BT

### MINUTES

#### *PRESENT:*

Mr Philip Sturrock (*Chair*)  
Professor Michael Arthur (*President and Provost*)  
Professor Lucie Clapp  
Professor Patrick Haggard  
Dame DeAnne Julius  
Ms Sarah Whitney

*In attendance:* Ms Cathy Brown (Director of Strategy and Operations, OVPA - for paper 3-2); Ms Francesca Fryer (Director of UCL Estates); Mr Phil Harding (Director of Finance and Business Affairs); Mr Rex Knight (Vice-Provost Operations); Ms Anne Lane (Interim Managing Director of UCL Business - for paper 3-6); Dr Marguerite Nolan (Secretary to Finance Committee); Mr Zac Patel (Head of Finance, Academic Projects, BEAMS - for paper 3-5); Mr Jon Penfold (UCLB Director, Business Portfolio Management - for paper 3-6); Mr Mahmud Rahman (Student Observer); Mr Matthew Swales (Director of Finance, Services and Reporting); Professor Nigel Titchener-Hooker (Dean of Faculty of Engineering Sciences - for paper 3-5); and Mr Martin Wedlake (Executive Head of Strategic Planning, OVPA - for paper 3-2).

Apologies for absence were received from Dr Andrew Gould.

### Preliminary Formal Business

#### **1a. Welcome and apologies**

1a.1 The Chair welcomed members to the meeting. Apologies were reported as noted above.

#### **1b. Declaration of interests**

1b.1 There were no interests declared by members.

## 2. Minutes of the previous meeting held on 5 November 2018

- 2.1 **Approved:** The Committee approved the minutes of the last meeting of the Finance Committee held on 5 November 2018, subject to minute 6 being moved to the confidential business section.

<b>Items for Discussion</b>
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## 3. Implementation of the Financial Strategy FC 3-1 (18-19)

- 3.1 **Considered:** The Committee considered the report on the Implementation of the Financial Strategy at [FC 3-1 \(18-19\)](#). Council approved the Financial Strategy on 10 October 2018. This paper summarised the next steps in its implementation and proposed future reporting to Finance Committee.
- 3.2 The Committee discussed the appropriate timing and level of future borrowing with particular reference to the Brexit deadline of 29 March 2019. It was agreed to review the financing options at the next meeting of the Finance Committee on 28 February 2019.
- 3.3 It was noted that work was continuing on the development of a new Estates Strategy. This strategy would enable the preparation of a new Capital Programme which was expected to cover the period through to 2028-29, and a project to assess options for the funding of our future student accommodation needs. In the more immediate future, and ahead of the conclusion of this work, there was a need to consider the treatment of time-critical high priority estates projects that could not be accommodated within the existing Capital Programme.
- 3.4 The Committee considered how the time-critical estates projects should be funded. It was noted that a paper would be submitted to the Council meeting of 24 January 2019 to request that an interim capital projects fund of up to £50m be set up to accommodate urgent estates projects, subject to the usual approval process. This paper would be circulated to members of the Finance Committee for feedback prior to its submission to Council.
- 3.5 **Resolved:** The Committee noted the report on the Implementation of the Financial Strategy at [FC 3-1 \(18-19\)](#).

## 4. Eastman Dental Institute and Medical School Co-location FC 3-4 (18-19)

- 4.1 **Considered:** The Committee considered the Eastman Dental Institute and Medical School Co-location proposal at [FC 3-4 \(18-19\)](#). This sought funding approval of £24.5m to deliver the relocation of the Eastman Dental Institute from 256 Gray's Inn Rd (Eastman Dental Hospital Site) to the Rockefeller Building and Royal Free Campus. At its meeting on 24 October 2018, the Estates Management Committee (EMC) had considered this proposal and recommended it to the Finance Committee for approval.
- 4.2 **Resolved:** The Committee approved the total project budget allocation of £24.5m for the Eastman Dental Institute and Medical School Co-location project as set out at [FC 3-4 \(18-19\)](#). This included £10m from CP032 and £14.5m from Capital Programme level contingency, though subject to liberating budget from projects expected to underspend.

## 5. Project PEARL FC 3-5 (18-19)

- 5.1 **Considered:** The Committee considered the Business Case for the Person Environment Activity Research Laboratory (PEARL) proposal at [FC 3-5 \(18-19\)](#). At its meeting on 27

February 2018, the Finance Committee had considered the Project PEARL proposal. It had been agreed that further consideration should be given to how this could be accommodated in the Capital Programme and to review the location of the project.

- 5.2 The Committee discussed the work that had been carried out on this project proposal since the Finance Committee meeting of February 2018. It was noted that a further options study had been undertaken in June 2018 to consider possible sites that could accommodate PEARL, as included in the business case. The outcome of this review had been to recommend the Dagenham New Build as the preferred option. The Dean of the Faculty of Engineering Sciences gave feedback on the suitability of the Dagenham location for this project, as compared to the other sites.
- 5.3 **Resolved:** The Committee approved the project and recommended to Council for approval at its meeting on 16 November 2018 that capital funding of up to £37.8m be allocated to Project PEARL. This was on the understanding that (1) the Capital Programme would be reprioritised to accommodate this amount within the current £1.25bn Capital Programme and for this to be reported back to Finance Committee and Council, and (2) further funds be canvassed from other parties.
- 5.4 **Noted:** That a Capital Programme Reprioritisation paper would be considered by the Senior Management Team, as an Estates Management Committee (EMC) item, at its meeting on 28 November 2018.

<b>Other Business for Approval or Information</b>
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**6. Purchase of Head Lease - Tottenham Court Road and Torrington Place FC 3-9 (18-19)**

6.1 **Received:** The Committee received the proposal for the Purchase of the Head Lease for 183 Tottenham Court Road and 1-19 Torrington Place at FC 3-9 (18-19).

6.2 **Resolved:** The Committee approved the sum of £12m for UCL to acquire the head lease for 183 Tottenham Court Road and 1-19 Torrington Place, and the fallback position as set out at FC 3-9 (18-19).

**7. Date of next meeting of the Finance Committee**

7.1 **Noted:** That the next meeting of the Finance Committee would be held on Thursday 28 February 2019 at 10.30 a.m.