



## FINANCE COMMITTEE

Thursday 26 March 2015

### MINUTES

*PRESENT:*

Mr Simon Melliss (*Chair*)

Professor Michael Arthur  
(*President and Provost*)  
Mr Ven Balakrishnan  
Dr Ben Booth  
Dr Liam Graham  
Dame DeAnne Julius

Mr John Morgan  
Professor Alan Smith  
Mr Richard Smothers  
Professor Alan Thompson  
Ms Sarah Whitney

*In attendance:* Ms Nicola Arnold (Director, Financial Control and Analysis); Professor Anthony Finkelstein (Dean of the Faculty of Engineering Sciences - for Minute 17); Mr Andrew Grainger (Director of UCL Estates); Mr Phil Harding (Director of Finance and Business Affairs); Ms Valerie Hogg (Director, Financial Planning and Strategy); Mr Omar Khan (Student Observer); Mr Rex Knight (Vice-Provost (Operations)); Ms Jennie Moule (Director of Strategy and Operations, DARO - for Minute 12); and Dr Marguerite Nolan (Secretary to Finance Committee).

Apologies for absence were received from Dr Stephanie Bird; Professor Sue Hamilton; and Dr Gill Samuels.

*Key to abbreviations used in these Minutes:*

FC	Finance Committee
HEFCE	Higher Education Funding Council for England
HESES	Higher Education Students Early Statistics Survey
I&E	Income and Expenditure
IoE	Institute of Education
QR	Quality Related Research Funding

## Preliminary Formal Business

### 1. DECLARATION OF INTERESTS

- 1.1 **Noted:** Dr Ben Booth advised that his daughter had applied to study for a degree in Philosophy at UCL starting in the 2015-16 academic year.

### 2. MINUTES OF THE PREVIOUS MEETING

- 2.1 **Approved:** The Minutes of the previous meeting of the Finance Committee held on 27 January 2015 were approved and signed by the Chair.

### 3. MATTERS ARISING FROM THE MINUTES FC 4-34 (14-15)

- 3.1 **Received:** The report on Matters Arising from the last meeting at FC 4-34 (14-15).
- 3.2 Minute 33.3 – It was noted that UCL was working towards achieving the original budget surplus for the current financial year and that the position was improving. A financial update would be included on the agenda of the next meeting of the Finance Committee for consideration.
- 3.3 The Committee noted the HEFCE's research funding allocation for UCL for 2015-16 as reported in the *Times Higher Education* on 26 March 2015.

## Matters for discussion

### 4. TUITION FEES FOR 2016-17 FC 4-35 (14-15)

- 4.1 **Considered:** The Committee considered the proposed Tuition Fee levels for 2016-17 at FC 4-35 (14-15). The report proposed the minimum tuition fee rates to be charged for UK/EU graduate programmes and all overseas students for the Academic Year 2016-17, other than those programmes at the Institute of Education where fee rates were subject to the terms of the merger agreement.
- 4.2 It was noted that subsequent to Finance Committee's approval of the minimum fee levels, the School Finance Directors would consult with individual departments on the UK/EU and overseas fees for individual graduate taught and MRes programmes. The IoE would also decide on the fee levels for its programmes for 2016-17. All tuition fee proposals would need to be submitted by 5 June 2015 prior to the publication of the full 2016-17 Fee Schedule in early July 2015. The proposed fee levels had been approved by the Senior Management Team at its meeting on 4 March 2015 and were recommended to the Finance Committee for approval.
- 4.3 The Committee discussed the proposed increase of 3% for fees which were not determined by the Government in the context of the current very low level of general economic inflation.

Some concern had been raised by Student Union officers concerning the proposed level of increase for tuition fees. However, it was noted that the proposed increase was needed to fund UCL's capital programme and to cover increases in staff costs. The Committee discussed UCL's fixed and non-fixed income and costs over the last few years. It was requested that a report be prepared for the next meeting of the Finance Committee outlining the fixed and non-fixed income and costs for the last five years.

- 4.4 It was noted that in their review of Tuition Fees for 2016-17, academic departments would consider the existing fee levels charged by UCL's key competitors for similar programmes and the impact that increases might have on demand and the ability of new students to pay such fees. It was requested that a high level comparison of competitor tuition fees for 2014-15 be prepared for the next meeting of the Finance Committee for report.
- 4.5 Feedback was sought on the percentage increases in fee levels agreed by faculties for 2015-16 as compared to the minimum percentage increase of 3% which had been agreed. It was noted that the table at Annexe 3 gave the range of fees applicable to graduate taught programmes in 2015-16. It was requested that a report be provided for the next meeting of the Finance Committee outlining the difference between the final percentage increases agreed for the tuition fees for 2015-16 and the minimum percentage increase of 3%.
- 4.6 It was noted that it had been agreed as part of the merger agreement that IoE fee levels would be harmonised over time and that work on this was in hand. It was proposed that the timescale for harmonisation of the IoE fees should be agreed.
- 4.7 **Resolved:** That the proposed Tuition Fee levels for 2016-17 at FC 4-35 (14-15) be approved, subject to the following documentation being provided for the next meeting of the Finance Committee on 2 July 2015 for report:
- a) A high level comparison of competitor tuition fees for 2014-15;
  - b) An outline of UCL's fixed and non-fixed income and costs for the last five years;
  - c) A report outlining the difference between the final percentage increases agreed for the tuition fees for 2015-16 and the minimum percentage increase of 3%.

**5. DELEGATED AUTHORISATION LIMITS FC 4-36 (14-15)**

- 5.1 **Considered:** The Committee considered the proposed Delegated Authorisation Limits at FC 4-36 (14-15).
- 5.2 It was noted that the approval of the 10-year capital programme, and its regular review by Finance Committee, afforded the opportunity for a further review of the limits since the significant majority of authorisations at the upper limits would be for capital estates projects. It was proposed therefore that the limit for the Provost's authorisation be raised from £5m to £10m, and the limit for Finance Committee be raised from £10m to £25m with Council approving any commitments above £25m.
- 5.3 **Resolved:** That the updated Delegated Authorisation Limits be **recommended to Council for approval** at its next meeting on 21 May 2015.

**Matters for approval or information**

- 6. BANKING MATTERS** **FC 4-39 (14-15)**
- 6.1 **Received:** An updated Authorised Bank Signatories List at FC 4-39 (14-15).
- 6.2 **Resolved:** That the updated Authorised Bank Signatories List at FC 4-39 (14-15) be approved.
- 7. DEBT WRITE OFF** **FC 4-40 (14-15)**
- 7.1 **Received:** The Debt Write Off report at FC 4-40 (14-15).
- 7.2 **Resolved:** That the Debt Write Off report at FC 4-40 (14-15) be approved.
- 8. CAPITAL PROGRAMME UPDATE** **FC 4-41 (14-15)**
- 8.1 **Received:** The Capital Programme update at FC 4-41 (14-15).
- 8.2 **Resolved:** That the Capital Programme update at FC 4-41 (14-15) be approved.
- 9. WITHAM ACQUISITION** **FC 4-42 (14-15)**
- 9.1 **Received:** The Witham Acquisition proposal at FC 4-42 (14-15).
- 9.2 It was agreed to review the presentation of the project NPV for future proposals submitted to the Finance Committee.
- 9.3 **Resolved:** That the Witham Acquisition proposal at FC 4-42 (14-15) be approved.
- 10. COURTAULD BUILDING REFURBISHMENT** **FC 4-43 (14-15)**
- 10.1 **Received:** The Committee received and noted the report on the Courtauld Building Refurbishment at FC 4-43 (14-15).
- 10.2 It was noted that a proposal for this project would be submitted to the next meeting of the Finance Committee on 2 July 2015 after the MRC Quinquennial Review had been completed. It was agreed to provide further details on the wider context of the proposal in the report to the next meeting of the Finance Committee. It was anticipated that, if approved, such approval would be conditional on the MRC Prion Unit transferring to UCL.
- 11. STUDENT ACCOMMODATION STRATEGY** **FC 4-44 (14-15)**
- 11.1 **Received:** The Committee received and noted the report on the UCL Student Accommodation Strategy - Direction of Travel at FC 4-44 (14-15).

- 11.2 It was agreed to circulate UCL's Student Accommodation Strategy review to members of the Finance Committee.
- 12. UCL DEVELOPMENT & ALUMNI RELATIONS OFFICE (DARO) UPDATE** **FC 4-45 (14-15)**
- 12.1 **Received:** The Committee received and noted the Fundraising report at FC 4-45 (14-15).
- 12.2 The Director of Strategy and Operations, UCL Development and Alumni Relations Office (DARO) provided feedback on the progress of fundraising and supporter engagement activity and the UCL fundraising campaign.
- 13. MINUTES OF THE INVESTMENTS COMMITTEE MEETINGS HELD ON 20/11/14 AND 27/1/15** **FC 4-46 (14-15)**
- 13.1 **Received:** The Minutes of the Investments Committee meetings held on 20 November 2014 and 27 January 2015.
- 14. DATE OF NEXT MEETING**
- 14.1 **Noted:** That the next meeting of the Finance Committee would be held on Thursday 2 July 2015 at 10:30 a.m.
- 15. ANY OTHER BUSINESS**
- 15.1 There was no other business discussed.

Dr Marguerite Nolan  
Secretary to Finance Committee  
March 2015