

Minutes of a Meeting of the Policy and Resources Committee
held at 3pm on Wednesday, 3 July 2013
in 1B33, Technopark, London Road, SE1

Present

Dame Sarah Mullally	Chair
Prof Martin Earwicker	Vice Chancellor
Ken Dytor	
Prof Hilary McCallion	
Prof Jon Warwick	

In attendance

Richard Flatman	Executive Director of Finance
Beverley Jullien	Pro Vice Chancellor (External)
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Officer

Welcome and Apologies

1. Apologies had been received from David Longbottom, Anne Montgomery, Diana Parker and Prof Phil Cardew.

Declarations of Interest

2. No member declared an interest on any item on the agenda.

Minutes of the previous meeting

3. The minutes of the previous meeting were approved as a correct record. The minutes were approved for publication subject to the proposed redactions (paper **PR.20(13)**).

Matters Arising

4. The committee received an update on NHS funding (minute 8 of the meeting of 7 May 2013 refers). It was reported that income for 2013/14 from the Continuing Professional and Personal Development (CPPD) budget which had been viewed as most at risk was expected to be ahead of budget at £3.85m.
5. It was noted that the committee would receive the estates report (minute 10 of the meeting of 7 May 2013 refers) in the autumn.

6. The committee noted an update on health and safety management following the Board's concern at the annual health and safety report at its meeting of 21 March 2013 (minute 33 refers). It was reported that there were no health and safety matters which needed to be drawn to the Board's attention and that the committee would receive the annual report for 2012/13 at its autumn meeting.

Student Recruitment Update

7. The committee noted an update on student recruitment for 2013/14 (paper **PR.21(13)**). It was reported that full time undergraduate recruitment was ahead of target largely due to improvements in conversion. It was anticipated that fewer students would be recruited through Clearing than in previous years. EU and international recruitment were also tracking ahead of budget.
8. It was reported that across all target markets the University is on track to deliver the budget. It was noted that postgraduate recruitment was ahead of 2012/13 recruitment but behind target for 2013/14 and that there was some risk relative to budget.

Budget 2013/14

9. The committee discussed the proposed budget for 2013/14 (paper **PR.22(13)**). The target surplus of £2.5m was in line with the latest five year forecasts. The budget assumed full time undergraduate recruitment of 2750 and undergraduate progression of 61%. There is an operating expense contingency of £0.5m, restructuring contingencies of £1.5m and an investment pot of £2m which will compensate for some of the risk inherent in the year. It was noted that staff costs were toward the top end of the target (55% of income) and that planned actions are in hand. The topic was due to be discussed at the Human Resources Committee meeting of 8 July 2013.
10. The committee recommended the proposed budget to the Board for approval.

HEFCE Annual Accountability mid-year return

11. The committee recommended the HEFCE annual accountability mid-year return to the Board for approval (paper **PR.23(13)**). It was noted that the Board had approved the five year forecasts, a key component of the return, at its meeting of 21 March 2013.
12. The Vice Chancellor updated the committee on discussions with HEFCE around the "core and margin" places. It was noted that the University had appealed to HEFCE against its decision but was still confident it could meet its target of 2,750 assumed in the 2013/14 budget whatever the outcome.

Tuition Fees, 2014/15

13. The committee recommended the proposed tuition fee levels for 2014/15 to the Board for approval (paper **PR.24(13)**).

Articles of Association

14. The committee discussed the proposed new articles of association (paper **PR.25(13)**). The committee noted that the joint unions had been consulted on the proposed articles of association and some articles had been amended to reflect their comments.
15. The committee discussed the proposed enabling power allowing governors to be remunerated and the associated standing order. It was noted that UCU were not in favour of the enabling power to remunerate governors. The committee noted that if the Board decided it needed to use the power to remunerate it would have to consider Charity Commission guidance, resolve that the remuneration is clearly in the interests of the University and that remuneration provides a clear and significant advantage over all other options. The committee considered that there were potential benefits in terms of improving the diversity of the Board in including the power to remunerate. The committee recommended inclusion of the enabling power in the articles to the Board for approval.
16. The committee noted the proposed standing orders which would complement the new articles. The committee recommended to the Board reducing its membership from 20 governors to 18 governors and ceasing the practice of co-opting two staff governors following staff elections. The revised composition of the Board would be: 13 independent governors, the Vice Chancellor, two students and two academic staff members of the Academic Board.
17. The committee noted the proposed timetable for final approval of the new articles. The committee recommended the proposed articles to the Board for approval to begin consultation with the Privy Council and the proposed standing orders to the Board for approval.

Insurance Renewal

18. The committee approved the renewal of insurance cover for 2013/14 (paper **PR.26(13)**). It was noted that the University would remain a member of the London Universities Purchasing Consortium.

Amendments to the Financial Regulations

19. The committee approved the proposed amendments to the Financial Regulations (paper **PR.27(13)**).

Key Performance Indicators

20. The committee noted the key performance indicators (paper **PR.28(13)**). The committee noted that the University had dropped down the Guardian league table 2014 from 104 (of 120) to 113 (of 119). Factors in this drop were student satisfaction and value added. An update would be provided to the Board.
21. The committee noted that staff satisfaction survey participation had dropped to 52%. It was noted that the Human Resources Committee would discuss the survey results in detail at its meeting of 8 July 2013 and the Board would receive an update on 18 July 2013.

Management Accounts to 31 May 2013

22. The committee noted the management accounts to 31 May 2013 which showed a forecast surplus of £4.2m (paper **PR.29(13)**).

Treasury Management report

23. The committee noted the treasury management report (paper **PR.30(13)**). The committee recommended to the Board the setup of online banking with Bank of Scotland for approval.

Date of next meeting

24. The next meeting of the committee will be, Tuesday 1 October 2013 at 4pm.

The Chair closed the meeting.

Approved as a true record:

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Chair