

FINANCE AND INVESTMENT COMMITTEE
07 June 2023

DRAFT UNCONFIRMED MINUTES

Present:

Isabelle Jenkins (Chair)	Professor Colin Bailey	Gil Baldwin
Anne Barnard	Tim Harris	Ben O'Neill
Dr Alix Pryde	Adi Sawalha	

In attendance:

Ian Chesham (Barclays) [m. 2022.045]	Dr Sharon Ellis	Andy Gladin [m. 2022.047]
Karen Kröger	Dr Nadine Lewycky	Tom Montagu-Pollock (Cazenove) [m. 2022.044]
Jonathan Morgan	Thomas Skeen	Adam Spring (Cazenove) [m. 2022.044]
Michael Topley (Barclays) [m. 2022.045]		

Apologies:

Maryanne Matthews

Welcome, apologies and declaration of interests

2022.043 [a] The Chair welcomed everyone to the meeting.

[b] The Chair said that due to her position at PwC, she would recuse herself for the presentations by the investment managers. Tim Harris would chair the meeting for these items.

Presentation from Cazenove investment managers [Presentation]

2022.044 *Minute 2022.044 is confidential.*

Presentation from Barclays investment managers [Presentation]

2022.045 *Minute 2022.045 is confidential.*

Current financial position and end of year forecasts [FIC22/40]

2022.046 *Minute 2022.046 is confidential.*

OfS financial sustainability report [FIC22/41]

2022.047 The Committee **noted** the Office for Students (OfS) annual report on financial sustainability and presentation on Queen Mary's financial position relative to the Russell Group. The following points were noted in the discussion:

- [a] The OfS had held round table discussions with finance directors to discuss financial risks facing the sector. We were pleased that the OfS was trying to understand the risks holistically and with different types of providers. We had not attended but would be seeking to engage in the conversation with the OfS going forward.
- [b] We were among the best performing universities in the Russell Group for tuition fee income growth since 2017/18. We expected research income growth to accelerate as our success rates continued to improve.
- [c] Level 4/5 providers and specialist creative institutions had the highest surplus as a percentage of total income. Large research intensive and large teaching intensive universities can struggle to adapt to the financial risks facing the sector, and research intensive universities also lose money on research activities. Most universities, including Queen Mary, lose money on home undergraduate students. We were looking to reduce our cost base and diversify our intake of overseas students paying unregulated fees. The majority of overseas students went to a small number of universities, either in the Russell Group or specialist providers.
- [d] Level 4 and 5 providers were performing well financially compared with other types of institutions. It was likely they had lower staff and building costs. We would look into their performance and report back to the Committee.

Actions: [d] Chief Financial Officer

Tuition fee regulations 2024–25 [FIC22/42]

2022.048 The Committee **considered** the tuition fee regulations 2024–25. The following points were noted in the discussion:

- [a] Section 12 said that the university had the right to refuse fees where the payment origin could not be confirmed. This was relevant to students joining from sanctioned countries. The section would cross-reference our anti-money laundering policy for completeness.
- [b] Fee regulations for some programmes were not covered by the document. These areas had subsidiary boards that approved their fee regulations which mirrored the university fee regulations.
- [c] The Committee **agreed** to recommend approval of the tuition fee regulations to Council.

Action: [a] Chief Financial Officer

Update on the ITL building extension [FIC22/43]

2022.049 The Committee **noted** the update on the ITL building extension. The following points were noted in the discussion:

[a] The full business case was being prepared for September. Work to identify the optimum building design was on-going. We were in conversations with Tower Hamlets ahead of a planning application. Inflation costs were pushing the overall cost of the project up. The business case would include an evaluation of the costs and programme risks and assumptions against the baseline.

[b] The election of a new mayor in Tower Hamlets had brought in a new executive team. We were working on developing our relationship with the new team. We were benchmarking the demands in relation to section 106 against the other London boroughs.

Update on residences [FIC22/44]

2022.050 The Committee **noted** the update on the residences.

Annual schedule of business [FIC22/45]

2022.051 The Committee **considered** the annual schedule of business. The following points were noted in the discussion:

[a] Committee members were asked to get in touch with the Secretariat with suggestions through deep dive topics. The draft annual schedule of business incorporated a number of themes that had already been put forward.

Minutes of the meeting held on 07 March 2023 [FIC22/46]

2022.052 The Committee **confirmed** the minutes of the meeting held on 07 March 2023.

Matters arising from the previous meeting [FIC22/47]

2022.053 The Committee **noted** the matters arising from the meeting held on 07 March 2023.

Draft agenda for the next meeting [FIC22/48]

2022.054 The Committee **noted** the draft agenda for the next meeting on Tuesday 19 September 2023.

Committee effectiveness review [Oral report]

2022.055 The Committee **noted** that the annual Committee effectiveness review would be conducted over the summer with members being asked to complete a survey. The effectiveness review would report to the Committee in September.

Committee membership [Oral report]

2022.056 The Committee thanked Ben O'Neill who was stepping down from his role as a co-opted member after five years. Ben had made invaluable contributions during his time on the Committee.