



FINANCE AND RISK COMMITTEE

The second ordinary meeting of the Finance and Risk Committee for the 2016/17 session, was held on Wednesday 12 October 2016 in Meeting Room 6, Beit Quad at 1:30pm.

Unconfirmed minutes

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| Present: | Jill Finney Nas Andriopoulos Toni Semmence Rachel Blythe James Cox | Finance and Risk Chair Union President Student Trustee Deputy President (Finance and Services) Deputy President (Clubs and Societies) |
| In Attendance: | Jarlath O'Hara Malcolm Martin Abi de Bruin Kevin | Managing Director Head of Finance and Resources Council Chair Knox Cropper |
| Apologies: | None | |

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| <p>Item 1 – Welcome</p> <ol style="list-style-type: none"> The chairperson welcomed the Group to the second meeting of the 2016/2017 year. | |
| <p>Item 2 – Declaration of Interest</p> <ol style="list-style-type: none"> Nothing to note | |
| <p>Item 3 – Apologies</p> <ol style="list-style-type: none"> Nothing to note | |
| <p>Item 4 – Minutes from 21 Sep</p> <ol style="list-style-type: none"> Changes to be made for those in attendance and full members. R.Blythe will be working on transparency around procurement and pricing with the bars before the January draft. To keep the committee informed via email as and when progress is being made. EPOS work to be added to the action tracker. Point 8 to be changed to read – near final draft document to be ready for January, not an initial draft. West basement – N. Andriopoulos has spoken to James Stirling. He has said that the College can possibly find £100k in the near future. But he finds himself in the same situation as us with not knowing what other projects there are to balance this idea against. We will be looking to find the other £50k from the Harlington Fund as there are some funds available here. The idea will be to request £75k to fund this project and use the remaining for other CSP projects and requests. | |

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| <p>Hoping to have the works done over the Christmas break if this can be unlocked in the next few weeks.</p> <ol style="list-style-type: none"> 6. The communication around how this is being done and who is involved needs to be clear to the student membership. If the work is being planned for Christmas, then the communication needs to be issued before this. A verbal update to the next meeting on how this progresses. | <p>Union President</p> |
| <p>Item 6 – Internal Audit report</p> <ol style="list-style-type: none"> 1. Amber-Green assurance given. Generally good practices regarding cash management and stock controls. But some improvements to be made to risk management. It's a good report with a good rating. 2. For the first time they conducted interviews with students to get their feedback. The feedback from these meetings were positive. 3. The time frames for suggested work have been made to be realistic to get the work done. 4. Operational risk has been mentioned. The version previously developed now needs reviewing and working on. Update to come to next F and R meeting in January. 5. Cash handling – One staff out of three didn't know the policy. Guidance has now been reissued to all staff concerned. 6. Training for clubs – not all members do attend. But the training is available online to those who want to access it at any time. Not everyone who is in a position needs to do the training as its not relevant to them. There is help throughout the year from Rachel and James if they need it and the view of the members in attendance at the meeting was that he training was adequate for those who need it. | <p>Head of Finance and Risk</p> |
| <p>Item 7 – Strategic Risk Register</p> <ol style="list-style-type: none"> 1. To highlight month by month any changes and work that has been done. It will be reported here each meeting and to the Strategic Management Group each month. 2. M.Martin to produce have a written down process of how we manage this process of updating the register. <u>To return to January meeting.</u> 3. Item 1 – We do have a close relationship to the College so they do pass information down to us when they have it. But at present we don't have a way to note how these are done. 4. Item 2 – A meeting is planned in the diary to meet with the local MP for Hammersmith to start this relationship. 5. Item 3 – White City paper, will return to agenda item 11. | <p>Head of Finance and Risk</p> |

6. Item 4 – All dates for the future.
7. Item 5 – Some changes to the dates noted to allow more time to work on the report.
8. Item 6 – SWOT analysis came to the last meeting. Can add that we have recently had a good Internal Audit report.
9. Item 7 – All dates for the future.
10. Item 8 – Slight slip in work life balance statement date. The Recruitment guide is online but not available publically at present as its been written more for a Management perspective. The plan will be updated to include recruiting student staff. Work to be done to implement the recruitment of student staff and having it published online by the end of the Summer. Approval should be sought from Appointments and remunerations committee once completed and before publication.
11. Item 9 – All dates for the future.
12. Item 10 – Health and Safety of clubs to return later to item 10.
13. Item 11 – Considerations need to be made on how we implement the crisis communication plan as the noted corrections have been made.

Item 8 – Presentation of Annual Accounts

Reserves

1. The Organisation is in a different place from a few years ago and now we need to consider what we do with our reserves.
2. Appendix 3 hasn't yet been put into the capital plan as some of these ideas need further work on them. This will not be published at present, as there also needs to be considerations of what we add to this list.
3. There is going to have to be a non-financial version of this paper that can be used for publication for a wider audiences including students. To be returned to the next meeting in January.
4. J.O'hara and M.Martin have worked together on amending appendix.1 which was completed as part of finalising the Annual Report.
5. 5.2 needs more work – what process or criteria do we use to make these priorities. This will be taken to the Leadership meeting on 31 October.

Annual Report

Kevin from Knox Cropper attends the meeting.

1. There are some additional statutory additions since last years so it may look different to some. There has been a new accounting regime, which has been brought in across the whole of the UK which also brings the UK in line with the rest of the world. Some of these include changes to reserves; explaining what you are going to do with them,

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| <p>what they are being used for and if you aren't at your target how are you going to get there.</p> <ol style="list-style-type: none"> 2. Some changes to pensions means that we have to account for the deficit which has reduced some of the reserves that hasn't been recorded before. 3. These are very different viewing from management accounts. All of our activities have to be looked at for running all of the overheads. It makes it much more clear that any money being made is being spent back into the organisation. 4. The balance sheet shows our financial position. A big turnaround from 6 years ago when this was negative. There has been some good work on turning this around. 5. Reserves is always about balancing spending money on students now and waiting to spend on future students, something every charity will face. 6. The accounts now have to show if there are any staff members who are paid over £60k, noted under section 6. Staff salaries and wages. 7. Income from members of the public is allowed up to £50k and needs to be kept under review. Suggestions around a subsidiary company. We could set it up now for it to sit in the background and have it ready to go if we need too. We haven't triggered this point yet; it is on the risk register as something to continually review. 8. It was agreed that we would drop the long term estimate of £1,8 million as a reserve target. 9. Next year when sending out to the Board we should consider asking certain questions rather than just sending the whole document and asking for feedback. This may generate some better feedback. 10. No comments were received back from the Board. Once noted suggestions from Jill have been made, the final version will be forwarded to the College Council. <p>Item 9 – Management Accounts</p> <ol style="list-style-type: none"> 1. First month of the new year. August was a great month. Some of the costs haven't landed as expected. 2. Debtors days is something that needs to be looked at closer by the Finance team in the coming months. It has got slightly better but needs further work. A lot of the debt comes from not receiving the block grant during August as planned. 3. GP went down in catering due to the timing of the stock take. We may see some fluctuations of this in September, but nothing untoward. 4. CX bar has missed budget by quite a step. It is an area that needs to be worked on continuously | |
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| <p>throughout the year. A review of this will be brought to the January meeting.</p> <ol style="list-style-type: none"> 5. Foundry figures are not reported as it goes through the College accounts. We are giving a management fee instead. It would be useful to include these as an appendix to the management accounts monthly. | <p>Head of Student Experience and Services</p> <p>Head of Finance and Resources</p> |
| <p>Item 10 – Health and Safety of Clubs</p> <ol style="list-style-type: none"> 1. Paper outlines our current position and policy. 2. How we identify the high risk will come from looking at the risk scores from their existing risk assessments. 3. We would need to look at the types of risks that are identified and who is the designated competent person to sign these off. To look at how we identify the structure and framework of doing this. 4. There used to be a list that shows any clubs that have under 18 members as these are automatically classed as high risk. This needs to be reviewed and referred too. 5. Good work so far but this now needs to be developed into a scoping paper to determine: What are the questions we are trying to answer, what is our 3 year programme and a clear route map as to how we assure ourselves, in conjunction with College, that we are working forwards a robust H&S framework as a matter of priority . <u>To be bought back to the January meeting.</u> | <p>Head of Student Experience and Services</p> |
| <p>Item 12 – Summer Ball</p> <ol style="list-style-type: none"> 1. Some learning points have been noted for future events. These have been taken from student feedback after the event and from the staff that lead on each of these areas. 2. To include totals of expenditure for each event in the past few years and the planned budget for 2017 to show comparisons side by side. Send this update directly to Jill. | <p>Head of Student Experience and Services</p> |
| <p>Item 11 – White City</p> <ol style="list-style-type: none"> 1. There isn't a huge amount to talk about at present. It is a significant point on the risk register so this has been created for reassurance. 2. Purpose is to reassure that there isn't anything to miss at present with White City. For the first time the Union President sits on the advisory panel. 3. The College has produced a plan for the north of the site. They have bought in a master planner to look at the finer details as to what is contained within each phase. Once this happens then consultation with students can begin. | <p>Head of Student Experience and Services</p> |

4. The Union has two clear roles in the White City development: To ensure the union has a clear presence and reflects the needs of students on the campus. And that the Union ensures that the College undertakes a robust consultation programme

Item 13 – Any other business

1. We have been looking at the EPOS systems in the bars and shops. We have gone through some presentations of potential suppliers and decided on two final companies to pursue further.
2. Some due diligence has been given to Orbis Tech. They have only been in existence since 2012 after a restructure. Before this they have been a family business since 1930. They do have the best product, but some questions around their status and longevity. We have asked them to give more details about the restructure from 2012 to answer some further questions.
3. Some enquiries are going out to existing customers and users of them to help answers some of our questions to also give some reassurance.
4. They have been open about what has happened since 2012, but we are just waiting for this information to come back.
5. A good second reserve is in place, but we would still like to consider pursuing Orbis Tech if possible.
6. To consider developing an audit trail to show how the relationship and questions have developed along the way.
7. To ensure that we have a solid SLA in place with them if pursuing to help in the future if needs be.