



FINANCE AND RISK COMMITTEE

The first ordinary meeting of the Finance and Risk Committee for the 2018/19 session, was held on Thursday 18th October 2018 in Meeting Room 6, Beit Quad at 2:00pm.

Unconfirmed minutes

Present:	Graham Parker James Medler Claudia Caravello Abhijay Sood	Finance and Risk Chair Deputy President (Clubs and Societies) Deputy President (Finance and Services) Elected Student
In Attendance:	Jarlath O'Hara Malcolm Martin Jomana Al Ahmad Neha Ghandi Alastair Lyon Jess Harrison	Managing Director Head of Finance and Resources Administration Support Officer Finance Manager Audit Partner, Crowe UK Events and Conferences Manager
Apologies:	Paul Buckley Julia Mattingley Alejandro Luy	Head of Student Experience Head of Commercial Services Deputy President (Education)

<p><u>Item 01 – Welcome and Chairs Business</u></p> <p>1. The Chair welcomed the Committee members to the first F&R meeting of the academic year 2018-2019.</p> <p><u>Item 02 – Conflict of Interest</u></p> <p>1. None declared</p> <p><u>Item 03 – Apologies</u></p> <p>1. Alexjandro Luy 2. Julia Mattingley</p>	<p><u>Actions</u></p>
--	------------------------------

Item 04 – Meeting Minutes from 19th June

1. The minutes were confirmed as an accurate record of the meeting on 19th June 2018.

Item 05 – Action Tracker

1. The Sales and Sponsorship strategy was circulated by JOH to the Committee. AS enquired about whether there was a particular focus on the sponsors chosen, JOH responded that the main focus of the strategy is to cover the basics and partnership development in terms of sponsors will be a long-term focus
2. GP suggested that the Sales and Sponsorship manager be asked to deliver a presentation for the Committee and JOH agreed that this should be done later in the year
3. Bank account closure - NG is currently working on this issue and will continue to liaise with the bank to resolve the matter
4. MM requested that the designated fund provision item is to be deferred as a paper for the next Committee meeting
5. MM updated the Committee that the development of the online shop to provide a 3D secure interface is still ongoing will be pushed back until the end of November
6. MM updated the Committee that he has received written communication as assurance from College that the Union is sufficiently insured and will circulate this to the rest of the Committee following the meeting

Alastair Lyon joined the meeting at 2.17pm

Item 07 – External Audit

1. AL joined the meeting to speak about the audit process and present his report.
2. AL gave brief background around the purpose of the Audit, by mentioning that as a registered charity, the Union is required to carry out an audit to ensure that money is appropriately accounted for.
3. AL added that the audit process begins before the 31st July year end date and a pre-audit planning meeting was arranged, then site work took place and a audit closure meeting was held to finalise the process.
4. AL reported that a £170,000 surplus was achieved by the Union
5. AL also reported that there were no issues with the judgmental aspect of accounting decisions.
6. AL pointed out some of the potential concerns as the reconciliation with College balances. He encouraged

JA to update the Action Tracker

the Union to keep reconciling the accounts and to investigate old accounts and write off as appropriate

7. AL also made a recommendation to clear out or establish a better system of creditor accounting.
8. AL finally added that the auditors are happy to sign off and approve accounts and he commended the finance team for their work on the audit
9. GP thanked AL for his report and added that Committee are happy with managements response to the auditor's comments. The Committee made a recommendation to the Chair of Board to sign off the final accounts
10. GP recommended that the Union pays closer attention to look at key financial controls that capture data and make processes more straightforward

Item 08 – Management Accounts

1. NG gave a brief summary of the September accounts by mentioning that the Union made a surplus of £14k despite the lower than budgeted income. There were also issues with the overstated cost of sales.
2. JOH mentioned that the Union is aiming for an ambitious breakeven this year with a small surplus
3. GP pointed out that this year may be quite challenging in terms of Commerical income as with many other universities due to lower drink sales
4. MM mentioned that there has been some challenges in September, as the gross margins in the catering area have gone down significantly.
5. MM added that two decisions have recently been made by management which should be noted by the Committee, the first is an opportunity around the systems team as there is an additional cost in hiring an extra member of staff until March 2019. Secondly, the refurbishment of the Union building and opportunity to add branding which will give rise to an additional cost
6. NG added that so far £1.5 million have been invested to Rathbones and more work is being done this year to chase up debts
7. GP pointed out that efficiencies can be gained by continuously chasing debts and the Union should continue to work on similar efficiencies in the future

Item 09 – Balanced Score Card

1. JOH asked the Committee to note the new format of the balanced scorecard and discuss any feedback they may have
2. GP explained that the purpose of the scorecard is to manage all the different elements for the organisation and enquired about the number of incidents and how the metric for the target is calculated, JOH responded

MM to pass the accounts to the Chair of Board to sign

that generally a higher number of incidents reports is an implication of a positive health and safety culture.

3. The Balanced score card will be used as a tool to alert the Committee to investigate certain areas in more detail
4. GP suggested adding more narrative alongside the Balanced Scorecard to be able understand what it is saying, GP said that it should be a management tool and also a governance tool for F&R and Board
5. JOH agreed and confirmed that more narrative will be circulated in the future

Item 10 – CSP Finance

1. CC pointed out that the 10 events with expenditure exceeding £10,000 were reviewed by both the DPFS and the DPCS. And all events are expected to either break even or be funded by existing self-generating balances.
2. CC added that no issues or concerns are to be reported with any of the events
3. CC also mentioned that she will continue to follow up with clubs and investigate reasons for debt and pointed out that there will be debt plan for clubs with long term debts
4. CC added that most events are submitting event budgets and are complying with procedures and there are no concerns on this matter. Additionally, no behaviour issues in events have been reported.
5. GP enquired about whether the number of CSP's is continuing to increase. JM responded that the number is continuously growing indeed however they have also recently closed a few inactive clubs

Item 11 – Strategic Risk Register

1. JOH pointed out that risks 3,10 and 11 have been updated.
2. GP recommended that the SRR is not to be reviewed once on an annual basis but to include risks within meetings with a chance to give feedback about risk before the meeting
3. GP enquired about the Rota for Union at White City, JOH responded that there is a Wednesday morning Rota for staff, however no one has approached any Union staff for questions yet. JOH added that the next building in the White City campus will have a larger space for the Union
4. JOH mentioned that the Union will definitely have an independent space in White City in the future, however the nature of the space and services offered are not yet known

5. GP pointed out that multipurpose usage is important as it ensures return on investment in the space

Item 12 – Operational Risk Register

1. MM pointed out that the ORR is a feature of the internal audit report. MM added that operational risks are owned by SMG and there will be training for managers to enable them to use the current online ORR
2. MM added that the purpose of this update is to give reassurance to Trustees that operational risks are being managed appropriately
3. GP suggested that this item is added to the March agenda to ensure that an update on the concerns raised in KPMG report is delivered to the Committee

Item 13 – Health and Safety report

1. JOH summarised the report circulated and mentioned that there is no significant concern regarding Health and Safety in the Union. JOH pointed out one recent incident due to a severe nut allergy by a member of staff, however, appropriate action was taken and clarity around allergy information around catering is being investigated as a result
2. GP enquired about the whether the information in the report is used to inform training, JOH responded that the report is used to generate an action list and training

Item 14 – Internal Audit

1. MM asked the Committee to give a final review of the internal audit report and pointed out the actions to be carried out by management in response to the issues raised
2. MM added that the Union is looking into the concerns raised regarding the EPOS system, however, as discussed in the previous meeting, the report does not raise any new unknown concerns within the Union
3. GP enquired about the deadlines for the proposed actions, MM responded that a short update will be given to the Committee in March about the progress

Item 15 – Summer Ball

1. JH joined that meeting and gave an overview of Summer Ball 2018. She mentioned that positive feedback was given about the event in general and pointed out that a Summer Ball Project Manager will be hired next year for Summer Ball 2019
2. JH added that the Union is looking at hosting Summer Ball 2020 externally to give a better student experience, however expanding the event depends on venue

JA to add Item to March Agenda

JA to add agenda point to Action Tracker

3. CC enquired about the whether the cost of the PM has been budgeted, JH responded that this has not been calculated yet, however a JD will be written in due course and College HR will decide on the salary band
4. MM added that there is currently no costing model to understand the cost of the current staff who worked on managing the Summer Ball in the past.
5. AS enquired about the reason for hosting the Ball in an external venue and the implication on cost, JH responded that the purpose is improving the student experience and the Summer Ball working group, which is a planning Committee, will be making a decision on the venue
6. GP enquired about whether increasing the capacity of the venue would result in more ticket sales, JH responded that this is difficult to predict

Item 16 - Web policy

1. MM gave a brief update that the Web Policy is currently under review by the systems team and is being finalised with the president and DPFS
2. MM added that this will be circulated online to the Committee once fully updated.

Item 17 – AOB

1. AS enquired about the process for papers and recommendations, JOH responded that it is best to speak to the Officer Trustee/member of Staff regarding the query and if they recommend submitting the idea/query as a paper to Committees/Board then it would be acceptable to do so

MM to circulated the updated Web Policy to Committee members