



## FINANCE AND RISK COMMITTEE

The second ordinary meeting of the Finance and Risk Committee for the 2017/18 session, was held on Wednesday 24<sup>th</sup> January 2018 in Meeting Room 6, Beit Quad at 1:00pm.

## Unconfirmed minutes

Present:	Neil Sachdev Jill Finney  Alex Chippy Compton Tom Bacarese-Hamilton Matt Blackett Tom Waite	Finance and Risk Chair Chair of Board/ previous Finance & Risk Chair Union President Deputy President (Clubs and Societies) Deputy President (Finance and Services) Elected Student
In Attendance:	Jarlath O'Hara Malcolm Martin Julia Mattingley Angela D'Souza Paul Buckley Rhidian Thomas	Managing Director Head of Finance and Resources Head of Commercial Services Administration Support Manager Head of Student Experience Ethics & Environment Officer
Apologies:	Edmond Burke	Finance Manager

<p>Item 1 - Welcome</p> <p>1. The new Chair welcomed the group to the second meeting of the 2017/2018 year and extended the welcome to the new Head of Commercial Services, Julia Mattingley, who has recently joined the organisation.</p> <p><b>Action 1: Chair requested that, moving forward, he would like to see the names of all members presenting papers to be shown on the agenda.</b></p> <p>Item 2 - Declaration of Interest</p> <p>1. None noted.</p> <p>Item 3 - Apologies</p> <p>Edmund Burke</p> <p>Item 4 - Minutes from 11 October 2017</p> <p>1. Minor correction to be made to the minutes. Page 5, action 13. 'Invitation' changed to 'Update'.</p> <p><b>Action 2: Amend minutes and advise Committee accordingly.</b></p> <p>Item 5 - Action Tracker</p> <p><b>Action 3: Chair requested that the Action Tracker have 'Due now' and 'In future' columns added in to provide further breakdown and clarity.</b></p> <p>1. Social Enterprise Strategy.</p>	<p><b>Action</b></p> <p><b>Angela D'Souza</b></p> <p><b>Angela D'Souza</b></p> <p><b>Angela D'Souza</b></p>
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<p><b>Action 4: Take off the Tracker and move to forward agenda for June 2018 to allow the new Head of Commercial Services time to consider an appropriate strategy and return for discussion at the June Committee meeting.</b></p>	<p><b>Angela D'Souza</b></p>
<p>2. Sponsorship Working Group This has been delayed as there is still no Sales &amp; Sponsorship Manager in post. Recruitment is underway to fill the position.</p> <p><b>Action 5: Take off the Tracker and move to forward agenda for June 2018 for an update on progress.</b></p>	<p><b>Angela D'Souza</b></p>
<p>Item 6 - Committee Work Plan</p> <p>1. Chair requested that the Work Plan be renamed as the Forward Agenda.</p>	
<p><b>Action 6: Amendments to the Work Plan to include the original Work Plan date so that there is an audit trail explaining why work has been moved to a future date. This will be actioned ahead of the next F&amp;R meeting on the 13<sup>th</sup> March 2018.</b></p>	<p><b>Malcolm Martin</b></p>
<p>2. Annual Budget</p> <p><b>Action 7: Steering Group to be set up comprising of Chair, President, MM and JOH, before the annual budget is proposed in June. Chair suggested meetings being held in April and May. Chair of Board and Managing Director to meet with College representatives during March 2018.</b></p>	<p><b>Malcolm Martin</b></p>
<p>Item 7 - Management Accounts: September – December 2017 MM presented accounts in the absence of Ed Burke, Finance Manager.</p> <ol style="list-style-type: none"> <li>1. MM presented the highlights from September through to December 2017.</li> <li>2. JF asked for some assurance that areas with performance behind budget had a planned approach to what they were going to do to meet budget. Point raised as to why we are not hitting the budget we set as an organisation.</li> <li>3. Concerns raised by Chair that in the last three months of 2017 we had a red balance sheet but no-one had come back to the Committee with concerns to address it.</li> <li>4. We asked management to put a Process in place and that management accounts with a summary will be sent every month – second week post end of month with clear management commentary</li> <li>5. JOH explained that the organisation's bottom line was only red since mid-December 2017 and that there were areas that were consistently exceeding budget. Chair responded that if this is the case can we extend the challenge to push these areas even more?</li> <li>6. JOH pointed out that SMG provide regular scrutiny of every line of the budget and explore possibilities in every area.</li> </ol>	<p><b>Malcolm Martin</b></p>
<p><b>Action 8: Chair requested that all Board members should be sent copies of the monthly accounts with an executive summary no later than two weeks after month end.</b></p>	
<p>Item 8 - Events Budgets and CSP Finance Group Report</p> <ol style="list-style-type: none"> <li>1. MB reported on the 6 events with expenditure exceeding £10k as they posed the biggest financial risk. Both TBH and MB met with the CSP teams before approving their budgets.</li> </ol>	



<p>1. JF suggested that this should not be shown as green as none of the work with regards to relationship building with Hannah Bannister has been delivered yet.</p>	
<p><b>Action 12: Change risk back to amber.</b></p>	<p><b>Malcolm Martin</b></p>
<p><u>Risk 9:</u></p>	
<p>1. Chair stressed the importance of GDPR and the need for the organisation to get this right. It needs to be shown as a risk. We cannot be seen to have too casual an approach to this. This risk should be red and not amber.</p>	
<p><b>Action 13: Change risk 9 to red.</b></p>	<p><b>Malcolm Martin</b></p>
<p>Item 10 - Investment Proposal</p>	
<p>Rhidian Thomas joined the meeting. MM provided an overview of the recommendations, pointing out that since the paper was written they have met with several investment industry experts with regards to engaging an Investment Consultant. The disadvantage of adopting this approach would be the additional one-time fee that the Union would incur.</p>	
<ol style="list-style-type: none"> <li>1. TW pointed out that Council voted on having an investment strategy in June last year and from a democratic view point it is not acceptable that it has taken so long and we still have not found someone to invest our money.</li> <li>2. MM requested that the Committee approve the recommendation to engage an Investment Consultant. The panel will be made up of JOH, EB, MM, Management Consultant and an external trustee.</li> <li>3. Chair suggested he could be on the panel but to also consider asking Kate Owen and someone from College Treasury and emphasised that he would only endorse this knowing there is a wide skill base on the panel.</li> <li>4. It was agreed that Rhidian Thomas should form part of the panel as well.</li> <li>5. MM informed the Committee that he had shared this paper with the Director of Finance Management at the College.</li> <li>6. TW requested that someone updates Council. ACC pointed out that MB has been providing regular updates in his papers to Council but will ensure that a verbal update is also provided.</li> <li>7. Committee endorsed the recommendation.</li> <li>8. Rhidian Thomas left the meeting.</li> </ol>	
<p><b>Action 14: All references from preferred providers to be sent to JF and Chair by the 21<sup>st</sup> February 2018.</b></p>	
<p><b>Action 15: Provide verbal update of progress on Investment Strategy to Council.</b></p>	
<p>Item 11 - General Data Protection Regulations (GDPR)</p>	
<p>Charles Tomlinson, Systems Manager, joined the meeting.</p>	
<ol style="list-style-type: none"> <li>1. He pointed out that we are registered as one entity with College who will have a new Data Protection Officer starting on the 5<sup>th</sup> February. The primary aim is to work with staff to improve their processes and ensure best practice.</li> <li>2. Chair agreed that College need to lead on this. MM shared that there is an action plan in place and that CT will lead on this and keep the Committee up to date via a RAG rating system. A lot of the work currently being undertaken is</li> </ol>	

<p>around raising awareness of GDPR and the need for compliance.</p> <ol style="list-style-type: none"> <li>3. Chair emphasised the need to start moving on this now. MM advised that staff had been made aware of the E-Learning training course. Chair requested that verification of when this has been completed needs to be added to the action plan.</li> <li>4. JF noted that there needs to be a culture and behaviour change around this. Perhaps we need to consider getting some graphics up around the organisation to raise an awareness.</li> <li>5. Chair commented that there needs to be a proper measure for this. We need to be aware of what constitutes a breach and take appropriate steps to minimise any risks.</li> </ol> <p><b>Action 16: Discuss options with the Marketing &amp; Communications team. This should be actioned by 2<sup>nd</sup> March 2018.</b></p> <p><b>Action 17: Ensure plan is updated when staff have completed the E-Learning modules on Data Protection and Freedom of Information. Monitoring for programme completion and regular updates to Committee must happen.</b></p> <p>Item 12 - Designated Fund Provision Update</p> <ol style="list-style-type: none"> <li>1. TBH discussed the current storage facilities available across the Union and the current issues with the lack of appropriate available space. Part of the Designated Fund will be allocated to find solutions to this problem.</li> <li>2. It was proposed that £5,000 of the Designated Fund is allocated towards providing additional funding to clubs in the form of a grant. They can apply to this grant to assist with the increasing Health &amp; Safety requirements placed upon them. The proposition was upheld.</li> </ol> <p>Item 13 - Health and Safety</p> <p>Paul Buckley, Head of Student Experience, joined the meeting and remained for the rest of the session.</p> <ol style="list-style-type: none"> <li>1. MB is the Health &amp; Safety Committee Chair.</li> <li>2. PB identified key areas of work currently being undertaken as a result of the Health and Safety audit last year. The evacuation procedure has been tried and tested with all staff, we are working with College to make the Salus incident reporting system more user friendly and there have been several inspections of the activity of a number of clubs.</li> <li>3. The Health &amp; Safety Committee have agreed to convene a fourth meeting at the end of June before term closes with the incoming deputy President (Finance &amp; Services) to co-chair.</li> <li>4. Further to the recent College audit there is a clear action plan for the year ahead. There are opportunities for training for staff and members. A Health and Safety Consultant has been invited to advise on the safety aspect of the Summer Ball. External speakers have been invited in to talk with students on travel safety and there are a series of Health &amp; Safety training courses coming up this year. One of the</li> </ol>	<p><b>Charles Tomlinson/ Malcolm Martin</b></p>
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**Action 20: Consider the risk of terrorism when addressing the security measures for the Ball.****Julia Mattingley**

## Item 17 - Dyson Bid – Lessons Learned

Presented by Paul Buckley.

1. In June 2017 the College issued a Request for Proposal for the provision of catering services at the Dyson School of Engineering. The contract award date was to be in August 2017 and a go live date for 1<sup>st</sup> January 2018. This was not adhered to by the client and the lead times and changes were a consideration for the bid team.
2. Although the Union was unsuccessful in winning the bid this was still seen as a positive experience. The reputation with the College Procurement Department and stakeholders was enhanced by the process. Moving forward the Union is recognised as a legitimate potential supplier for catering services at Imperial.
3. JOH pointed out that Board was informed of the intention to put in a tender but were not provided with the tender details.
4. JF would have liked to see some reflection on what our competitor did that we did not do to win.
5. JF asked how we make decisions on taking on other operations with campus services.
6. Chair asked whether we have a service contract regarding the H Bar and whether we are in the right forum to get the message across to College that, in considering their expansion plans, if they provide us with a building we will support them to deliver the services.
7. JOH suggested that as a Union we are best placed in getting that message out.

## Item 18 - The Foundry – Lessons Learned

Presented by Paul Buckley.

1. The Foundry was a joint venture between the Union and College with the Union receiving a management fee for overseeing the bars and catering operations of the outlet.
2. Without our input the Foundry would not have been as successful. There was no clear business plan or Service Level Agreement in place.
3. The Union suppliers were being managed outside of the Union's influence and this was therefore potentially damaging to our reputation.
4. The opening of the Foundry was rushed given that only three weeks were available once the building was completed through to opening.
5. There was a reliance on College departments to deliver at a level the Union expects of itself, made harder by the fact that there were a lack of agreed service levels and expectations.
6. PB commented that this was very much about how we assess our responsibility with working with our College partners and our rules of engagement.

## Item 19 - Internal Audit: Scope of next visit- Verbal update

<p>1. Our auditors KMPG will be looking at our financial systems to give assurance to the Board when they next come in. Date has yet to be confirmed. We are making good progress on last year's action plan. The auditors look at three focus areas a) Risk management b) Financial controls and c) Compliance testing. MM asked whether there were any other areas that they should be looking at.</p> <p>2. Chair suggested further key areas for consideration to be a) Capital planning b) Data controls (GDPR) c) Fraud. An external perspective would be useful here.</p> <p>3. Chair also posed the question as to whether the Finance &amp; Risk Committee are meeting its objectives. Do we need an audit on us? Brief discussion followed.</p> <p>Item 20 - Mini Bus Verbal Update</p> <p>1. Not much progress to report here but no imminent risk.</p> <p>2. There is a current strain on the five older minibuses as they have roof racks to accommodate larger pieces of equipment. The ten new minibuses do not have roof racks.</p> <p>3. Chair asked the question why we approved the purchase of ten new minibuses if they did not meet our requirements.</p> <p><b>Action 21: JOH to follow this up and provide an explanation at the next meeting.</b></p> <p>Item 21 – Any Other Business</p> <p>1. Chair requested having Finance &amp; Risk Committee meetings every two months.</p> <p><b>Action 22: New meeting dates to be circulated.</b></p> <p>2. Chair would like some consideration shown to developing an appropriate house style in delivery papers to Committee and Board. Certainly useful to have an executive summary for all papers submitted. With regards to the accounts would also be useful to have key summary for Commercial services.</p>	<p>Jarlath O'Hara</p> <p>Angela D'Souza</p>
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