



## **Minutes of the Finance Committee Meeting of 26 October 2016**

**PRESENT:** Provost (Chair), Bursar, Vice Provost/Chief Academic Officer, Chief Operating Officer, Ms. C. Curtis, Dean of Arts, Humanities & Social Sciences (from Minute 21), Mr. J. Gorringer, Mr. L. Kavanagh, Professor B. Lucey, President of the Students Union, Registrar, Chief Financial Officer (CFO) – Secretary of the Committee

**IN**

**ATTENDANCE:** Deputy CFO, President of the Graduate Students Union

**APOLOGIES:** None

**STATEMENT OF INTEREST** No statements of interest were declared.

The Provost welcomed Mr. Liam Kavanagh to his first Finance Committee meeting as the third external member.

The Committee noted and approved the minutes of the Finance Committee meeting of 10 October 2016, with a matter arising minuted separately below (Minute FN/16-17/20 refers). The circulated Status Report on the Finance Committee Action List dated October 2016 was also noted.

### **Section A**

No Items

### **Section B**

**FN/16 - 17/20 Oisín House Accommodation Project**  
(Minute FN/16-17/19 of 10.10.2016 refers)

The Committee noted that Board had approved the revised business case for Oisín House (Minute BD/16-17/036 of 12.10.2016 refers), a revised planning application has been submitted and a planning decision is expected in 6 weeks.

## **FN/16 - 17/21 Income Generation**

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(Minute FN/16-17/4 of 19.09.2016 refers)

The CFO presented his circulated memorandum, dated 19.10.2016, in relation to the University's income generation strategies as requested by the Committee in September 2016 (Minute FN/16-17/4 refers), under the following headings:

- Introduction
- State funding for third level education
- Key income generation strategies
  - Commercial Revenue Unit
  - Global Relations Strategy
  - Trinity Business School
  - PGT and PGR student numbers
  - UG fee levels
  - Research contribution to indirect costs
  - Online Education
  - Endowment Fund – Provost's fundraising campaign

Having considered the introduction to the memorandum and the context provided in relation to State funding for the third level education sector, the Committee noted the year-on-year growth to date in income under the University's control and the ongoing challenges facing the University, which have been discussed at previous meetings.

In considering the 8 key income-generating strategies, the Committee noted that each one seeks to leverage the strength of Trinity's brand. The University's commercial focus is currently ahead of plan, as evidenced by the strong performance of the Commercial Revenue Unit to date, and it will continue to be a critical area for income generation into the future. The Committee further noted the performance of GRS to date and the challenges it faces in achieving the Board approved targets in 2016/17 and beyond. The impressive performance of the Business School and its potential as a future income generator was also noted.

In discussing PGT and PGR student numbers, the Committee recognised the importance of keeping existing courses under review and introducing new courses in response to demand. In this context, the VP/CAO was requested to follow up directly with Schools in relation to the specific commitments made for new activity associated with the allocation of Ussher posts and report to the next meeting. Furthermore, he was requested to verify data (in relation to student numbers and fee income) on existing PGT courses and to gather data from universities with similar research profiles to TCD, to benchmark Schools' course offerings and student numbers, and report to the Committee before the end of Michaelmas Term 2016.

Having expressed concern at the adequacy of the business planning for new courses, the Committee requested the VP/CAO to explore enhancements in this

regard with FSD and to ensure such proposals include “sunset” clauses as a mechanism to manage non-delivery of expected outcomes on new courses.

In debating the case for a more radical approach to cover the costs of existing infrastructure, via, for example, the possible introduction of an annual student infrastructure contribution, the Committee was mindful that whilst it might immediately benefit the University’s finances, there were many other factors to be considered before such a step would be taken, including an institution-wide discussion to understand the broad range of views of stakeholders. To support such a discussion, the Committee requested the Director of PAC to assess how best to communicate the message that Trinity has unique needs due to the distinguishing factors of a Trinity education. FSD was also asked to develop scenarios and provide financial models illustrating the impact of different annual infrastructure contributions on income levels and to bring an update to the memorandum to the next meeting. Furthermore, the Committee requested the CFO to explore the annual student infrastructure contribution option in the context of the ongoing dialogue with the HEA following the annual accountability and budget meeting and report to the Committee in due course.

Whilst acknowledging that the introduction of an annual infrastructure contribution was only being debated, the Presidents of the Students and Graduates Students Unions both advised that they could not support it under any circumstances.

As had been discussed at previous Committee meetings, the performance of the Online Strategy has given cause for concern and in this context it is currently under review with a revised business case to come forward for approval in due course. As part of the revised business case, the Committee requested the VP/CAO to utilise the relevant digital learning expertise within the Business School and to liaise with CRU and IT Services to develop a more commercial approach to the Online Strategy.

Thanking the CFO for his fulsome report, the Committee requested an updated report to be brought forward in Hilary Term 2017.

## **Action**

### **21.1**

The VP/CAO was requested to:

- Follow up with Schools in relation to the specific commitments made for new activity associated with the allocation of Ussher posts and report to the next meeting.
- Verify data (in relation to student numbers and fee income) on existing PGT courses and gather data from universities with similar research profiles to TCD, to compare activity levels and benchmark Schools’ performance against peer institutions, and report to the Committee before the end of Michaelmas Term 2016.

- Explore enhancements to the current business planning process for new courses with FSD.
- Ensure proposals for new courses include “sunset” clauses as a mechanism to manage non-delivery of expected outcomes on new courses.

- 21.2** The Director of PAC to assess how best to communicate the message that Trinity has unique needs due to the distinguishing factors in Trinity.
- 21.3** FSD to develop scenarios and provide financial models illustrating the impact of different annual infrastructure contributions on income levels and to bring a report forward to the next meeting.
- 21.4** The CFO to explore the annual student infrastructure contribution option in the context of the ongoing dialogue with the HEA following the annual accountability and budget meeting and report to the Committee in due course.
- 21.5** The VP/CAO to utilise the relevant digital learning expertise within the Business School and to liaise with CRU and IT Services to develop a more commercial approach to the Online Strategy and to include this as part of the revised business case.
- 21.6** An updated report to be brought forward by the CFO in Hilary Term 2017.

**FN/16 - 17/22 Trinity Business School (TBS)**

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(Minutes FN/15-16/86 of 22.01.2016 and FN/15-16/151 of 10.06.2016 refer)

The Dean of TBS and TBS Programme Manager attended for this item. The TBS Project Sponsor dialled in.

**I. TBS Development Plan**

The Committee reviewed the circulated memorandum from the Dean of TBS dated 12.10.2016 which provided an update on the TBS Development Plan under the following headings:

- Update since the last report
- Financial summary
- Financial position of project lifecycle
- Risk
- Sustainability issues
- Request

In considering the updates provided, the Committee welcomed and noted the growth in revenue for 2016/17, significantly in excess of the agreed target, and agreed to the Business School’s request that the surplus generated to date be

retained to support the growth plan over the next few years only and if required. Further noting the significant increase in non-EU PGT student numbers, the new programmes launched for 2016/17 and the other achievements in the period since the last report, the Committee agreed that, following an agreed level of investment, the Business School was an exemplar in terms of its performance across many of the targets in its development plan. The Committee noted the interdependencies with GRS in terms of achieving non-EU undergraduate targets and risks to the financial performance should the targets not be achieved in future years and requested that the Dean of TBS and VPGR consider a more targeted marketing approach.

Noting the risk identified in terms of the current shortage of student accommodation, the Committee requested the Dean of the Business School to engage with the Registrar of Chambers in relation to the allocation of rooms to first year students. Furthermore, the Committee recommended that the Dean of Students fully utilise the relevant expertise within the Business School to assist in addressing the shortage of student accommodation overall and any consequential impact on student recruitment.

Congratulating the Dean of TBS on the performance to date, the Committee recommended that he engage with the Director of PAC to prepare an internal communication outlining the Business School's achievements in terms of increased courses and student numbers.

## **II. TBS Capital Project**

The TBS Project Sponsor drew the Committee's attention to the circulated memorandum dated 26.10.2016 and the updates provided on the TBS Project under the following headings:

- Change request summary
- Project cost baseline summary
- Programme governance
- Built environment
- Project Update
- Philanthropy
- Risk Assessment (including contingency)

The Committee noted the detail provided by the Project Sponsor in terms of the status of the project, which is currently at pre-foundation level, and the particular risks associated with this phase. The Committee further noted the low level of contingency.

The Committee welcomed the progress made to date and the detail provided in relation to Programme governance and philanthropic contributions.

Thanking the Dean of TBS, the TBS Project Sponsor and the Programme Manager for their reports, the Committee requested that an update on activity be provided in Trinity Term 2017.

**Action**

- 22.1** The Dean of TBS and VPGR to consider a more targeted marketing approach in recruiting non-EU undergraduate students.
- 22.2** The Dean of the Business School to engage with the Registrar of Chambers in relation to the allocation of rooms to first year students.
- 22.3** The Dean of Students to fully utilise the relevant expertise within the Business School to assist in addressing the shortage of student accommodation overall and any consequential impact on student recruitment.
- 22.4** The Dean of TBS to engage with the Director of PAC to prepare an internal communication outlining the Business School's achievements in terms of increased courses and student numbers.
- 22.5** An updated report on activity to be provided in Trinity Term 2017.

**FN/16 - 17/23 Global Relations Strategy (GRS) II**

(Minute FN/16-17/5.1 of 19.09.2016 refers)

The Vice-President for Global Relations attended for this item.

Further to a request at its September 2016 meeting, the Committee welcomed the VPGR and reviewed her circulated memorandum dated 19.10.2016, setting out detail of the six key structural issues that had been identified as impacting conversion rates and delivery of GRS targets as follows:

- Recruitment activity
- Application
- Offer
- Acceptance
- Registration
- Student experience

In considering the detail provided by the VPGR, the Committee noted the improvements in the Academic Registry in terms of the growth in registrations since the previous year and the current conservative estimate that 91% of the GRS fee income target is expected to be achieved for 2016/17.

The Committee expressed some concern at the speed at which undergraduate applications are processed and recommended that internal resources be reallocated annually within the Academic Registry during the critical student recruitment period to ensure applications are converted to registrations as quickly as possible. The COO advised the Committee she was continuing to review processes in the Academic Registry to ensure maximum efficiency and, in this context, agreed to bring forward a paper on the Academic Registry later in

Michaelmas Term 2016, to include relevant KPIs and detailed statistics on the timeline for conversion of applications to registrations.

The Committee, thanking the VPGR for her report, requested that the presentation of data in future reports should include a timeline on the 6-step “application to registration” cycle along with a revised format for the of “application to conversion” figures. The Committee noted that a further update on 2016/17 student numbers from GRS will also be included in the Q4 Management Pack, which will be presented to the Committee in December 2016. Finally, the Committee requested that the VPGR would engage with the COO and Faculty Deans on the other structural issues as outlined and report progress in Hilary Term 2017.

**Action**

- 23.1** Consideration to be given to the reallocation of internal resources within the Academic Registry during the critical student recruitment period annually.
- 23.2** The COO to bring forward a paper later in Michaelmas Term 2016 on the Academic Registry, to include relevant KPIs and detailed statistics on the timeline for conversion of applications to registrations.
- 23.3** The VPGR to include a timeline on the 6-step “application to registration” cycle, along with a revised format for the presentation of “application to conversion” figures as part of future reports.
- 23.4** The VPGR to engage with the COO and Faculty Deans on the other structural issues as outlined and report progress in Hilary Term 2017.

**FN/16 - 17/24 Role and Sustainability of TRIs**

(Minutes FN/15-16/50+51 of 23.11.2015, FN/15-16/62 of 16.12.2015, FN/16-17/8.1 of 19.09.2016 refer)

Due to time constraints, this item was deferred until the next scheduled meeting on 22 November 2016.

## Section C

### **FN/16 - 17/25 Global Brain Health Institute (GBHI) update** (Minute FN/15-16/43.3 of 09.11.2015 refers)

The Committee welcomed the circulated memorandum from Prof. Ian Robertson and Prof. Brian Lawlor, dated 19.10.2016, and noted the detail provided on GBHI under the following headings:

- Update since the last report
- Financial summary
- Financial position of project lifecycle
- Risk
- Sustainability issues
- Request

As approved previously, a report on the Institute's progress was requested for the Committee's review in Michaelmas Term 2017.

#### **Action**

**25.1** GBHI to provide a progress report to Finance Committee in Michaelmas Term 2017.

### **FN/16 - 17/26 Provost's Expenses January – June 2016** Memorandum from the College Secretary dated 11.10.2016

The circulated memorandum from the Secretary to College dated 11.10.2016, setting out the bi-annual report of the Provost's expenses for the period 01.01.2016 to 30.06.2016 was noted. Furthermore, the Committee noted that, as indicated, all expenses incurred were approved in line with relevant University policies, no exceptional items of expenditure were incurred and that reimbursement claims (and associated supporting documentation) were available for review at the meeting.

### **FN/16 - 17/27 Increase in EU and non-EU PG Fees and other non-EU UG fees for 2017/18 - Benchmarking Data** (Minute FN/16 – 17/6.1 of 19.09.2016 refers)

The Committee noted the update on benchmarking data, comparing TCD fees with other Irish and UK universities, provided in the circulated memorandum from the Project Appraisal Manager dated 19.10.2016, which also included an updated €:Stg£ exchange rate post-Brexit.



## **FN/16 - 17/28 Treasury Management Quarterly Update**

In accordance with the Treasury Management Policy, the Committee noted the circulated memorandum and accompanying appendices from the Project Appraisal Manager dated 19.10.2016, setting out an update for the full financial year from 1 October 2015 to 30 September 2016 and the comparative data for the financial year 2014/15.

## **FN/16 - 17/29 Academic Registry Enhancement Programme**

The Committee noted the circulated memorandum from the CFO dated 19.10.2016, enclosing a close-out report on the Academic Registry Enhancement Programme, which had previously been considered by Executive Officers in March 2016 (Minute EO/15-16/241 of 08.03.2016 refers).

## **FN/16- 17/30 Report of Audits of Research/Capital Projects in 2015/16**

Memorandum from the Projects Accounting Manager (Capital & Research) dated 13.10.2016

The Committee noted the memorandum from the Project Accounting Manager (Capital & Research) dated 13.10.2016 as circulated, which set out the very positive outcome of research audits during 2015/16.

## **FN/16 - 17/31 EU and Non-EU Fee Increases 2017/18**

(Minute FN/15-16/32 of 20.10.2015 refers)

Memorandum from the CFO dated 19.10.2016

The Committee noted the memorandum from the CFO dated 19.10.2016 as circulated, including a proposal from a specific School in respect of proposed fee increases for its Masters programmes in 2017/18. In the context of the recommendations arising from the external benchmarking exercise carried out in 2015, also circulated, the Committee requested the VP/CAO to engage with the School to review the level of fee increase proposed and to bring forward a revised paper to the next meeting.

### **Action:**

**31.1** The VP/CAO to engage with the School to review the level of fee increase proposed and to bring forward a revised paper to the next meeting.

## **FN/16 - 17/32 Minutes of Sub Committees**

The Committee noted the memorandum from the CFO dated 19.10.2016 along with the draft minutes of the Investment Committee meeting of 13.09.2016, as circulated.

**FN/16 - 17/33 Minutes of the Audit Committee**

The Committee noted the memorandum from the CFO dated 19.10.2016 along with the draft minutes of the Audit Committee meeting of 14.06.2016, as circulated.

**FN/16 - 17/34 Minutes of the Estates Policy Committee**

The Committee noted the memorandum from the CFO dated 19.10.2016 along with the draft minutes of the Estates Policy Committee meeting of 05.10.2016, as circulated.

**FN/16 - 17/35 Minutes of the FIS Oversight Group**

The Committee noted the memorandum from the CFO dated 19.10.2016 along with the draft minutes of the FIS Oversight Group meeting of 26.09.2016, as circulated.

**FN/16 - 17/36 Related Entity Financial Reporting**

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The Committee noted the circulated memorandum from the CFO dated 19.10.2016 and recommended the Directors' Report and audited Financial Statements of the following entities to Board for noting:

- National Institute of Bioprocessing Research and Training Group (NIBRT) for the year ended 31<sup>st</sup> December 2015
- Douglas Hyde Gallery for the year ended 31<sup>st</sup> December 2015

**Action:**

**36.1** The Directors' Reports and audited Financial Statements of NIBRT and Douglas Hyde Gallery to be forwarded to Board for noting.

The Committee noted the next Finance Committee meeting is scheduled for Tuesday, 22 November 2016 at 2:30pm in the Provost's Library.

PROVOST.....

DATE.....