



Minutes of the Finance Committee Meeting of 1 May 2019

Present: Provost (Chair), Vice-Provost, Bursar, Dean of Engineering, Maths and Science (FEMS), Chief Operating Officer, Registrar, Ms. C. Curtis, Professor S. Alyn Stacey, Mr. L. Kavanagh, President of the Students Union, Interim Chief Financial Officer (ICFO) – Secretary to the Committee

In Attendance: GSU President, Director of Financial Planning & Risk Management

Apologies: Deputy CFO

Statement of Interest: None declared

The Committee noted and approved the minutes of the Finance Committee meeting of 07.03.2019.

Section A

No items

Section B

FN/18-19/85 Old Library Redevelopment Project

(Minute FN/15 - 16/146 of 10.06.2016 refers)

The Librarian & College Archivist (Programme Sponsor) and Programme Manager attended for this item.

The Committee noted the memorandum from the Librarian & College Archivist dated 23 April 2019, which set out an update on the Old Library Redevelopment Project under the following headings:

- Executive Summary
- Financial Summary of Approved Spend and Funding
- Cost Summary
- Deliverables to Date
- Update since the last report
- Performance over Project Lifecycle
- Risk
- Sustainability issues



The Librarian & College Archivist summarised her memorandum by way of presentation outlining the key project objectives, which includes delivery of the full business case, detailed design and planning applications for the overall Old Library Development Project (by the end of 2019) as originally agreed. In addition, the Librarian & College Archivist outlined the expanded scope of the project which now includes a separate programme of work (due for completion by March 2020) to upgrade the Books of Kells' display case and de-risk Library Treasures as a whole. In considering the cost summary for each programme, the Committee noted the sources of funding secured, including State, philanthropic and commercial contributions, which will be sufficient to meet the budget projections for both programmes as outlined. The Committee further noted that the partial draw-down of the Fáilte Ireland grant aligns with planned project phases, with the balance to be drawn down in advance of the grant expiration date in 2023.

Having considered the risks as set out, and in the context of the expanded scope of work designed to protect the building and its collections (which had been considered and approved in principle by CRG and EOG in 2018), the Committee approved the budget uplift sought. Noting that, based on the detailed design and cost estimate work currently in train, a full Business Case and cost-benefit analysis for the Old Library Redevelopment Project is due to come forward for consideration in early 2020, the Committee thanked the Librarian & College Archivist for her report and requested an update in Michaelmas Term 2019.

Action:

85.1 An updated report on the Old Library Redevelopment Project to be brought forward for consideration in Michaelmas Term 2019.

FN/18-19/86

Printing House Square (PHS) - Update

(Minute FN/17-18/104 of 06.07.2018 refers)

The Dean of Students (Project Sponsor) attended for this item.

By way of presentation, the Dean of Students (Project Sponsor) summarised the key highlights of his circulated memorandum, dated 01.05.2019, across the following headings:



- Update of Contract Status
- Update on Construction and Design Progress
- Update on Financial Plan
- Project Oversight
- Changes to the Financial Plan
- Risk Register

In considering the update provided on the construction and design process, the Committee noted with concern the considerable slippage in the completion timelines and that a revised project end date of December 2019 has now been agreed. The Committee, noting the underlying issues causing the delay along with the impact on occupancy levels and the consequential loss of revenue to the University, welcomed the risk-mitigation and scenario analysis underway.

Having reviewed the main contract update and the risk register (in particular the two key risks identified) along with the changes to the financial plan as outlined and the current budget position, the Committee thanked the Dean of Students for his report and requested an update in Michaelmas Term 2019.

Action:

- 86.1** An updated report on the Printing House Square Project to be brought forward for consideration in Michaelmas Term 2019.

FN/18-19/87

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Dartry Student Accommodation Project

(Minutes FN/18-19/4.1 of 01.10.2018 & 103 of 06.07.2018 refers)

The Dean of Students (Project Sponsor) attended for this item.

The Committee welcomed the circulated memorandum from the Dean of Students dated 25.04.2019, which provided an update on the Dartry Student Accommodation Project under the following headings:

- Background
- Project Context
- Trinity Strategy for Accommodation



- Proposals for Dartry
- Required actions

By way of presentation, the Dean of Students set out a summary of the revised accommodation offerings presented for the Committee's consideration, across the following headings:

- Status update
- Financial models of rooms types and of each proposed scheme
- Business model – summer teaching
- Request
- Project milestones
- Analysis of other options

The Committee welcomed the financial modelling information supporting the revised room options, aimed at delivering better value to students, noting that these options had been benchmarked nationally and internationally and were market tested via a student survey. In considering the various room types and associated financial models, the Committee noted the proposed weekly rent levels, along with the net present value (NPV) and the internal rate of return (IRR) of each option. Having considered the need to balance the affordability of the offering with the need for a financial return to the University, the Committee agreed on a preferred option.

Having previously been endorsed by the Executive Officers Group, the Committee agreed that a revised business case, reflecting the selected room option should now be brought forward for consideration and approval by Board, subject however to a further analysis of capital costs and rental income to achieve an improved IRR and NPV for the University, in line with the options included in the original business case.

Having discussed the future use of the period buildings on the Dartry site, the Committee noted that senior College Officers would undertake a site visit to consider various development options, and that a separate proposal/business case in this regard may come forward for approval in due course.



Action:

87.1

The Committee recommended the proposed development option to Board for approval subject to an additional analysis of capital costs and rental income, to achieve an improved IRR and NPV for the University, in line with the options included in the original business case.

Section C

FN/18-19/88 Update on 5 Year Income & Expenditure Forecasts

(Minute FN/17-18/107 of 06.07.2018 refers)

The Committee noted the circulated memorandum from the Interim Chief Financial Officer dated 24.04.2019 asking the Committee to note that updated 5 Year forecasts, which will align with the aims, goals and objectives of the new Strategic Plan, will be brought forward to Finance Committee and Board in June 2019.

FN/18-19/89 Planning Group Report #19

The Committee noted the circulated memorandum from the VP/CAO, dated 28.02.2019, enclosing Planning Group Report #19, which had been considered and approved by Board on 27.02.2019.

FN/18-19/90 Online Education Project - Strategy II Update

(Minute FN/17-18/40 of 18.12.2017 refers)

The Committee noted the memorandum from the Chief Operating Officer/Board member of Trinity Online Services Limited (TOSL) dated 28 February 2019 which set out an update on the Project under the following headings:

- Executive Summary
- Update since the last report



- Financial Summary
- Risk
- Sustainability Issues

The Committee noted the update on company activity since the last report and noted the improved performance, including the positive impact on income generated versus operating costs. The Committee further noted that a short review of the organisation of and support for current Digital Learning Services was underway, with a report to be completed in Trinity Term 2019. This report will inform the long term decisions about the future of TOSL and the University's overall online education strategy.

The Committee noted the financial update, along with the risks and sustainability issues as outlined, and requested an updated report on the Online Education Project - Strategy II to be brought forward in Michaelmas Term 2019.

Action

- 90.1** An updated report on the Online Education Project - Strategy II to be brought forward in Michaelmas Term 2019.

FN/18-19/91 FIS Transition Programme Progress Update
(Minute FN/18-19/51 of 04.02.2019 refers)

The Committee noted the memorandum from the FIS Transition Programme Manager dated 23 April 2019, which set out an update on the Programme under the following headings:

- Progress since the last update
- Priorities for the next quarter

The Committee noted that the transition programme is running well within budget, with spending expected to increase significantly over the coming months as key programme activities are delivered. Whilst all activities are expected to be delivered in scope, on time and within budget, two specific



pieces of work have been rescheduled due to resource and scheduling constraints.

Noting the detail set out in the accompanying Report to the FIS Transition Plan Steering Committee, the Committee requested an updated report in Michaelmas Term 2019.

91.1 An updated report on the FIS Transition Programme to be brought forward in Michaelmas Term 2019.

FN/18-19/92 Procurement Strategy Update
(Minute FN/17-18/51 of 18.12.2017 refers)

The Committee noted the comprehensive update on the Procurement Strategy provided in the circulated memorandum from the Procurement Manager dated 24.04.2019 across the following headings:

- Brexit
- Savings & Revenue
- Capital Works & Facilities
- C&AG 2017/18 Audit
- Sustainability
- Contract Management System
- Supplier Management
- Category Management
- External Environment

The Committee welcomed the update provided, noting the increased activity in Goods & Services tenders and capital project activity in the period since the last report and the consequential impact on Category Management and Supplier Management initiatives. The Committee also noted the ongoing process of engagement involving staff, suppliers, Government agencies, the university sector and key service providers such as customs agents and couriers to manage the evolving issues around Brexit along with the benefits of the links to the University's overall Brexit planning process and close engagement with the Chief Risk Officer in pinpointing areas of concern.



Noting the updates provided in relation to the performance in the year to date, revenue-generating and sustainability activities, the Committee requested an updated report be brought forward in Michaelmas Term 2019.

Action

92.1 An updated report to come forward for consideration in Michaelmas Term 2019.

FN/18-19/93 Tangent (Innovation and Entrepreneurship Hub) Financial Strategy Update
(Minute FN/18-19/5 of 01.10.2018 refers)

The Committee considered the circulated memorandum from the Tangent CEO dated 17.04.2019 which set out an update on the Strategy under the following headings:

- Executive Summary (incl. key message & request)
- Financial Summary
- Risk

The Committee noted Tangent's positive performance in its first 6 months, with finances ahead of target for the year-to-date and a surplus projected for the first full year of operation. The growth in the primary revenue streams has been significant, with an increase in revenue on certified courses of 74% year-on-year (exceeding the annual target by 37%). Revenue from Non-Certified courses, developed and deployed for the first year, is c.14% ahead of the annual target set and there has also been a substantial increase in revenues from Entrepreneurial activities over the past 2 years. Engagement programmes income is expected to be slightly below target and the Committee noted the risks associated with delivering this particular revenue line due to the ongoing delay in recruiting key positions.

A further update will come forward for consideration in Michaelmas Term 2019.



Action:

- 93.1** An updated report to come forward for consideration in Michaelmas Term 2019.

FN/18-19/94 Global Brain Health Institute (GBHI) Update

Minute FN/18-19/30 of 23rd November 2018 refers

The Committee considered the circulated memorandum from Prof B Lawlor, Prof I Robertson and Dr Anne-Marie Glynn dated 24.04.2019, setting out progress to date and future plans for the Global Brain Health Institute under the following headings:

- Executive Summary
- Update since the last report
- Financial Summary
- Risk
- Sustainability Issues

The Committee noted the University's long-term commitment to GBHI in terms of transfer of faculty appointments to the participating Schools at agreed dates between 2022 and 2028. The Committee also noted the completion of refurbishment of space in the Lloyd Institute. The Committee welcomed the strategic approach being taken in respect of forecasted currency fluctuations over the life span of the project. The risks and sustainability issues outlined, along with the current budget position and future plans, were also noted and an updated report will come forward for consideration in Michaelmas Term 2019.

Action

- 94.1** An updated report to come forward for consideration in Michaelmas Term 2019.



FN/18-19/95 New Management Structures
(Minute FN/16-17/98 of 06.03.2017 refers)

The Committee noted the circulated memorandum from the College Secretary dated 15.04.2019, enclosing a copy of the Management Structures Handbook 2018, which, following a self-evaluation process, was reviewed and approved by the Executive Officers' Group in July 2018 (Minute EO/17-18/229 refers).

FN/18-19/96 Medical School Financial Intervention
(Minute FN/18-19/16.1 of 23.11.2018 refers)

The Committee noted the circulated memorandum from the Dean of Health Sciences and the Head of the School of Medicine dated 14.02.2019, which set out details of a repayment plan for a loan made to the School of Medicine in 2006. With effect from 2018/19, and for the next 12 years, the School has committed to repaying an agreed amount annually to repay the loan in full. However, in the event of a significant HEA funding cut, impacting core activity, the Committee agreed that if necessary, the School may seek a short-term moratorium on the agreed repayments.

FN/18-19/97 Legacy gift

The Committee noted the circulated memorandum from the Director of Operations, Trinity Development & Alumni, dated 17.04.2019, which advised of a bequest of property to the University. As requested, the Committee noted the detail of the legacy gift and the restrictions outlined in the will and approved the signing of Deeds of Assent and Undertaking in respect of the property.



FN/18-19/98 Borrowing Framework and Loan Guarantees

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In considering the circulated memorandum and accompanying documents from the Project Appraisal Manager dated 24.04.2019, setting out the Borrowing Framework template for the academic year 2017/18 along with projections for 2018/19, the Committee noted the University's compliance with the current framework and requested that it be forwarded to Board for noting.

Action

98.1 The Borrowing Framework template to be forwarded to Board for noting.

FN/18-19/99 Federal Aid Loan (Stafford Loan) Program – Auditors Report y/e 30.09.2018

The Committee, having been circulated with a memorandum from the Director of Academic Registry and the Head of Student Finance dated 10.04.2019 along with the Report of Independent Auditor, Bender, Ciccotto & Co. for the year ended 30 September 2018 in relation to the University's compliance with the Federal Family Education Loan Program (Stafford Loan Program), noted the unqualified audit opinion received. The University's Letter of Representation, as circulated, was also noted.

FN/18-19/100 Minutes of Commercial Revenue Unit (CRU)

The Committee noted the circulated memorandum from the Interim CFO dated 24.04.2019 along with draft minutes of the Commercial Revenue Unit Board meeting of 28.11.2018, which included the following items:

- Detailed financial overview 2017/18 and Budget 2018/19
- CRU Strategic Plan
- Catering Plans 2018/19



FN/18-19/101 Minutes of the Audit Committee

The Committee noted the circulated memorandum from the Interim CFO dated 24.04.2019 enclosing minutes of the Audit Committee meetings held on 12.02.2019 and 12.03.2019 respectively, which included the following items:

- Draft Annual Report to Board 2018/19
- Report from the Trinity Foundation Audit and Risk Committee
- US GAAP Financial Statements for the year ended 30 September 2017
- Risk Management Policy
- Audit of the Consolidated Financial Statements for 2017/18
- Trinity Endowment Fund Financial Statements for 2017/18
- Cyber Security Risk Assessment
- FIS Oversight Group Update

FN/18-19/102 Minutes of the FIS Oversight Group

The Committee noted the circulated memorandum from the Interim CFO dated 24.04.2019 along with the draft minutes of the FIS Oversight Group of 26.03.2019, which included the following items:

- FIS Development Log and User Group Updates
- FIS Project Update
- FIS Stakeholder Engagement & Communications
- FIS Support Update

The Committee noted the next Finance Committee meeting is scheduled for **10 June 2019** at **2.00pm** in the Provost's Library and, as highlighted by the ICFO, that the meeting will be lengthy due to the volume of business to be considered.

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