

## Minutes of a Meeting of the Finance Committee of the Corporation

held at Highbury College, Portsmouth at 4.20pm on  
Tuesday 26 April 2016

**Present:** Mr M Craft (Chair)  
Mrs S Mbubaegbu  
Ms D Moody  
Mr J Rees-Evans  
Mrs N Youern  
Mr A Turner

**Apologies:** Mr A Lorabi & Ms F Calderbank

**In Attendance:** Ms P Schweitzer - Clerk to the Corporation  
Mr J Cox - Group Finance Director

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### M i n u t e s

#### Part 1 – Standing Items

##### 1138 Membership & Welcome

Mr Craft's term of office as Chair ended in March 2016 but it was **Agreed** that he would chair the meeting. The issue of Committee chair would be addressed at the next Search Committee meeting.

##### 1139 Apologies for Absence

Mr Lorabi and Ms Calderbank sent their apologies.

##### 1140 Declaration of Interest

There were no declarations of interest.

##### 1141 Minutes

The Minutes of the Meeting held on 09 February 2016 were **Agreed** as a correct record and signed by the Chair.

##### 1142 Matters Arising

**Minute 1130: International Report:** The Principal confirmed that the review of the International Department had been completed and would be reported to the next meeting.

**Minute 1131: Chimes Restaurant Trading Account 2014/15:** The Group Finance Director confirmed that a revised business plan was being developed and would be brought to the Committee's next meeting.

## Part 2 – Items for Decision

There were no Items for Decision.

## Part 3 - Items for Discussion

### 1143 International Report

The Group Finance Director presented Paper 2158/16/F setting out the College's International Report. Key information included:

- As at mid-April, the International Department reported a deficit of £88,000, as against the £92,000 forecast.
- There were currently 44 international students (including 14 EU students) studying a variety of different subjects. The College had a target of recruiting a further 23 students.
- The focus of the International Office was to grow a substantial pre-sessional and English Language programme in 2016/17 and the Department's reorganisation reflected this priority. The combined income from these English programmes was expected to be approximately £400,000 by the end of August 2017.
- The College's in-country activities included a successful UKIERI bid (£150,000) in partnership with City and Islington College to deliver leadership and management training in two colleges in India. Academic outcomes for Jeddah College students in Saudi Arabia remained good. The College would need, in conjunction with other consortium partners, to decide by December 2016 whether it wished to extend the contract beyond the five year period (due to expire in the summer of 2018).

The Group Finance Director clarified that the International Department's financial performance was lower than anticipated due to the Cross River State project. A total of £1m had already been paid to the College for this project. Last September a further £400,000 was paid into the College's Nigerian bank account in local currency and was awaiting transfer. A final tranche of funding was owed to the College for performance of the management contract. With regards to the £400,000, the College could either wait for the State Government to sign a NOTAP agreement allowing the College to withdraw the money at the usual exchange rate or it could change the money through the official black market at a less preferential rate. A governor asked about the College's strategy to manage this situation and the Group Finance Director stated that the College was in ongoing discussions to secure a NOTAP agreement (the College had no need for the funds in Nigeria) and that it continued to work to secure the final payment including securing help from the UK High Commission. The situation had been hampered by political changes in Nigeria but the College had been advised that the funds for the outstanding sum was included in the State budget for release. The College was keen to keep relationships open and to this end had renegotiated a reduction to its management fees so that it was more attractive for the project to retain the College's services. This had been well received.

One Governor summarised that the College had done quite well previously with the Nigerian contract although it had been more difficult recently, that the College

was not making a lot of money out of the Jeddah project but that in-bound international students were making a significant contribution, and suggested that the latter should therefore be the focus of College activity. The Group Finance Director stated that the Nigerian project had been negatively impacted by the change of government and currency crash and the Jeddah project continued to produce modest surpluses, culminating in a six figure sum to date. He noted that the College was not earning a great deal from the project but it was not doing a great deal either, and that the real opportunity would come after the contract ended in two years' time.

There was a further discussion concerning the Jeddah project and this is minuted under Part 4 of the meeting.

There was a discussion about the review of the College's International Strategy and International Office. A Governor noted that a few years ago the Committee had reviewed the extremely useful and comprehensive international strategy and suggested that it would now be timely to review it, bringing it up to date and assessing its resources. Another Governor expressed disquiet with the College's international activities, suggesting that the UK educational context had changed dramatically since the College initiated its overseas work. The Principal clarified that the review of the International Office had been completed and had informed its restructuring. An international strategy review was part of the College's wider strategic planning process and was linked to the ongoing area review process. It was **Agreed** that an International Office structure chart highlighting changes would be brought to the Committee's next meeting.

The International Report was **Noted**.

#### **Date of Next Meeting**

Tuesday 14 June 2016 @ 4pm  
The meeting ended at 6.15 pm.

#### **Self-Assessment of Meeting**

Four evaluation forms were returned with members agreeing that papers arrived in time and were clear and concise. Three members did not feel that the Committee received sufficient information upon which to make decisions - one member noted that *'there needed to have been a briefing document as to a confidentiality matter.'* And another member wrote *'We were asked to agree matters on which we had no written briefing or prior information.'* Members felt able to contribute to the debate and decision-making process and all members felt that the Committee challenged and questioned reports sufficiently. Three members were satisfied that the decisions arrived at were sound (one member did not agree) and two members felt that the impact of decisions on students and the College was clear (one member did not agree and another wrote *'to be continued'*). Members felt that the Chair provided effective leadership and ensured that there was enough time for debate and that all Governors were able and encouraged to participate in discussions. Members agreed that the meeting was clerked effectively.