

**M15/50-M15/104**

**Minutes of the meeting held on Wednesday 13 May 2015 at 5.00pm in the Management Lecture Theatre**

Present:	Mr Stephen Cox (Chair) Mr Paul Blagbrough Mr John Brannan Mr Dave Cobb Ms Gillian Craig Mr Gurpreet Dehal Ms Ann Ewing Professor David Gilbert Mr Majid Hawa Mrs Margaret Jack	Professor Paul Layzell Mr Jeremy McIlroy Ms Sarah Moffat Mr Gerry O'Hagan Ms Emma Peagam Mr Nick Perryman Professor Liz Schafer Professor Anne Sheppard Mr David Spence Ms Colette Wilson
Apologies:	Mrs Christine Goodyear Ms Sarah King Mr Mark Newlands	Mr Iain Ross Mrs Chris Shoukry
In attendance:	Professor Rosemary Deem Ms Marie Ennis Professor Paul Hogg Ms Cheryl Newsome Professor Katie Normington Professor Bob O'Keefe  Mrs Julia Roberts Mr Graeme Robinson  Mr Simon Higman Mrs Hilary Baker Mrs Pauline Martin	Vice Principal (Education) Director Communications and External Relations Vice Principal and Dean of Science Director of Human Resources Vice Principal (Staffing) and Dean of Arts and Social Science Vice Principal and Dean of Management and Economics Director of Strategic Development Director of Finance  Registrar and Secretary Secondary Minutes Minutes
Observer:	Dr Alan Bradshaw	UCU

**FORMAL BUSINESS**

- MEMBERSHIP**  
NOTED the membership of Council, there were no vacancies. M15/50
- REGISTER OF INTEREST**  
There were no declarations of interest, not previously declared, with an item on this agenda. M15/51
- MINUTES**  
SIGNED the minutes of the last meeting held on 4 March 2015 (M15/01-M15/49) and the extract of the resolution (M15/09) agreed at that meeting. M15/52
- MATTERS ARISING FROM THE MINUTES**  
None M15/53
- UNSTARRING OF ITEMS**  
None requested M15/54

**PART A: MAJOR ITEMS OF BUSINESS**

6. **PRINCIPAL'S REPORT**
- RECEIVED a report from the Principal (CL/15/18) which considered a broad range of sector and College developments that impact the direction and operation of the College. M15/55
- NOTED the possible impact on Higher Education of the new government and uncertainty, particularly with regard to public funding, as the current government regarded the sector as ripe for cost savings and efficiency gains. The outcome of the election did, however, remove the prospect of a reduction in student fees to £6k and the assumption in our forecasts is that the £9K fee cap will remain. M15/56
- NOTED that work continued on the implementation of the Prevent Security Bill, a separate agenda item, and that student applications from some countries had dropped significantly because of concerns as to whether the UK was open for business for international students due to reported immigration issues. M15/57
- NOTED the visit of the Chairman and Chief Executive of the Leverhulme Trust, an important funder of College research. The visit provided the opportunity to showcase some of the work of recipients of Trust awards as well as presenting details of our Magna Carta Doctoral Centre funded by the Trust. M15/58
- NOTED that the life of Professor Katherine Worth, founder of the Department of Drama and Theatre at Royal Holloway, featured on Radio 4's programme "Last Words" on Friday 8 May 2015. M15/59
7. **PRIVATE PLACEMENT**
- NOTED the report of the outcome of the Private Placement (CL/15/19) which included a summary of the main activities and decisions taken during the process. The £80m placement had been agreed with a US insurance company, Pricoa, and the final form of the Note Purchase Agreement had been approved and signed on 13 May 2015 under the delegated arrangements agreed by Council. M15/60
- NOTED the weighted average rate of interest was 3.13% and three repayments were scheduled in year 20, 25 and 30. The Debt Fundraising Oversight Group had considered the forecast which indicated that the repayments could be accommodated within the cash flows along with funding ongoing capital investments. M15/61
- NOTED that although the Private Placement carried commercial and legal risks it provided low cost and long term finance to support the estates development programme. The funder did not require US\$ swap breakage indemnification once the funds were drawn down, and US-related legal risks had been mitigated in the Note Purchase Agreement which was signed on 13 May 2015. M15/62
- NOTED that drawdown of all the funds was agreed for 16 July 2015 and that increased counterparty limits for depositing cash had been agreed at the last meeting of Council. The funds would be deposited across a range of counterparties in order to diversify the risk. M15/63
- NOTED the position on the Directors and Officers insurance policy following questions raised at the last Council meeting. It had been confirmed that the policy did cover action taken in US courts and the cover of £10m was inclusive of costs. The policy was structured Side A providing a direct indemnity to individuals and Side B which reimburses the University where it is legally permitted to indemnify the individual members. M15/64
- NOTED that in view of the slight increase in risk arising from the PP and the cost-inclusive nature of the policy, the Debt Fundraising Oversight Group agreed by circulation to an M15/65

increase in the policy cover to £15m. This was the maximum cover available under the policy, and higher cover would require a separate additional policy to be taken out.

Enquiries indicated that £10m was a typical higher level of cover in the sector with some higher education institutions holding cover of £5m.

NOTED the financial close process in order to draw the funds, and HEFCE's requirement, as a condition of its agreement to the additional borrowing, for ongoing monitoring by Council. A monitoring report would be provided annually to Council at its meeting in November when the annual HEFCE returns were considered. M15/66

8. **COUNTER TERRORISM AND THE PREVENT SECURITY BILL**

RECEIVED a report (CL/15/20) outlining the requirements of the Prevent Duty for all institutions, including the additional requirements for universities due to the concentration of young people. M15/67

NOTED the proposals agreed by College Executive Committee to address the requirements of the Bill. The actions taken to date would meet the requirements of the current legislation but further legislation, in the anti-Extremism Bill, was expected to be brought forward by the Government. M15/68

NOTED that College had good links with the local community and with Surrey Police and the College nominated Prevent co-ordinator already met regularly with the Surrey Police Prevent Co-ordinator. Communications between College and the Police would continue to develop. M15/69

NOTED that the Students Union was aware of its duty of care for members and that UUK was working to ensure that the rights of academics to the protection of their academic freedom were not diluted in any way. For governance purposes the Research Ethics Committee would receive, for approval, any research which might be considered controversial under the anti-extremism legislation. M15/70

9. **ASSURANCE**

9.1 NOTED progress with the 2014/15 Audit Plan (CL/15/21) and the receipt of three limited assurance reports. Whilst not satisfactory the limited assurance reports demonstrated the audit process providing an appropriate level of challenge to College procedures and in all cases actions were being put in place quickly. M15/71

NOTED that with regard to the limited assurance reports on Fixed tangible assets and General ledger the priority 1 actions had been put in place and the follow up audits by the internal auditors were already scheduled to take place in May 2015. M15/72

NOTED that the limited assurance report on Capital Projects related to past procurement practice and that the Internal Auditors expect to be satisfied, following their further review presently in progress, that the current team had in place the correct procurement process methodology. M15/73

9.2 NOTED HEFCE's annual assessment of institutional risk (CL/15/22), that the College was "not at higher risk", and the appended benchmarking ratios of Royal Holloway's position relative to the sector. M15/74

10. **THE ESTATES PROGRAMME**

10.1 RECEIVED changes to the Project Governance Framework (CL/15/32) in order to improve clarity around early stage funding for preparatory work for major projects. This would cover work prior to submission of the full planning application and include money that would be invested upfront to establish requirements and evaluate delivery options. M15/75

NOTED the distinction between pre-approval funding and approved funding and the authority levels for pre-approval project funding. Pre-approval project funding, which would be at risk if the M15/76

project could not proceed, would not be allowed to exceed 20% of the estimated project cost. The approval limits for the full project budget remained unchanged.

APPROVED the proposed changes to the College Project Governance Framework M15/77

10.2 APPROVED a request for £2.258m funding, from the estimated total project cost of £44m, in order to carry out initial preparatory works for the Library and Student Services Building during June and July in order to reduce disruption in September 2015 (CL/15/23). It was NOTED that the Runnymede Council Planning Committee was meeting and would be considering planning approval for the Library and Student Services Building. M15/78

10.3 RECEIVED a report summarising the position of the most significant capital projects (CL/15/24) and NOTED the internal governance structure that reviewed all capital projects. The Capital Projects Assurance Committee also received reports on those projects with an expected cost in excess of £10m. M15/79

NOTED that the July meeting of Council was expected to receive the Stage 3 investment case for the Student Residences project in addition to the request for enabling funds to develop the Stage 3 investment case for the Science Building. The Capital Projects Assurance Committee and Finance Committee would review both cases in detail at their meetings prior to presentation to Council. M15/80

NOTED that the key project risks were reported to, and monitored by, the relevant project board. The boards were also responsible for taking mitigating action. Where risks were material, they would be escalated as appropriate. M15/81

NOTED that the prospect of building work was not currently impacting on student recruitment and evidence of construction work seemed to be seen as an institution's confidence in the future. The Estates Programme Delivery Group were working to reduce disruption and there was a strategy for communications to all stakeholders about the estate development. M15/82

NOTED that recruitment to grow project management capacity had been successful in appointing one individual and was continuing to search for a second although it was clear that the market for quality project managers was tightening and to secure the right person a market supplement outside of the usual grading was likely to be required. M15/83

AGREED to present to the July meeting a report of the risks for major projects that could have an impact on the business of the College and to include the planned mitigation. A second report would be provided of the specific risks, and mitigation, of the selection of a modular design for the Student Residences. Potential risks of a modular design would include the potential for non-delivery, manufacturer insolvency and contracting and payment terms in the procurement process as well as build quality and the likely impact of delayed delivery on achieving critical dates. M15/84

## 11. GOVERNANCE

11.1 RECEIVED the draft statutes (CL/15/17) including a covering note of the consultation undertaken and comments received. Council were asked to consider a recommendation that they be sent to Privy Council for informal approval, which may provide comments on or require change of the statutes proposed, prior to moving to formal approval by a special resolution that would be debated at two correctly timed quorate Council meetings. The draft Standing Orders of Academic Board and draft Standing Orders of Council were an example of the level of detail that would go into these documents and they would be considered for approval once the Statutes had been approved by Privy Council M15/85

NOTED the representation of academic staff members that it was felt that Academic Board had not had the opportunity to fully debate the draft Statutes. Academic Board was already due to M15/86

receive a final presentation of the Statutes before its meeting on 3 June 2015 and the draft Statutes were an agenda item. It was AGREED that if there were no significant changes from that meeting the Statutes would be sent to University of London for approval and then Privy Council for informal approval. If there were changes or comments project Board would make a recommendation to Council who would give approval to proceed. These actions were APPROVED by resolution.

NOTED on request by a member of the Academic staff that at its meeting on 3 June 2015 Academic Board should vote on the approval of the Statutes. M15/87

APPROVED the current Academic Structure as proposed in the draft standing orders of Council paragraph 67 with one correction to the \*School of Mathematics and Information Security. M15/88

Council recognised the following as academic units:

**Faculty of Arts and Social Sciences**

Department of Classics

Department of Drama and Theatre

Department of English

Department of History

Department of Media Arts

School of Modern Languages, Literatures and Cultures

Department of Music

Department of Politics and International Relations

Department of Social Work

**Faculty of Management, Economics and Law**

Department of Economics

School of Law

School of Management

**Faculty of Science**

School of Biological Sciences

Department of Computer Science

Department of Earth Sciences

Department of Geography

\*Department of Mathematics and Information Security

Department of Physics

Centre for Professional Studies

Department of Psychology

11.2 APPROVED the reappointment of six lay members to Council (CL/15/25). In order to avoid a significant loss of Council experience in 2020, when five member second terms of office would come to an end if reappointed for five years on 1 August 2015, some of the lay members concerned had agreed to vary the length of second term and would retire from 2018 onwards. M15/89

- Mr Gurpreet Dehal - a second term of office ending 31 July 2019
- Mrs Margaret Jack - a second term of office ending 31 July 2020
- Mr Jeremy McIlroy - a second term of office ending 31 July 2020
- Mr Mark Newlands - a second term ending 31 July 2019
- Mr David Spence – a second term ending on 31 July 2018

APPROVED the reappointment of Mr Nick Perryman for a first term of office with an end date of 31 July 2020. The casual vacancy on Council, which Mr Perryman had filled, would end on 31 July 2015. M15/90

**Council**

- 11.3 NOTED that one nomination for Professor Sarah Ansari was received for the election of an academic staff member of Council (CL/15/26) to replace Professor Anne Sheppard at the end of her term of office on 30 September 2015. Professor Ansari was proposed by Professor Ahuvia Kahane and seconded by Professor Sean Murphy. M15/91
- AGREED that Professor Sarah Ansari should be elected as a member of the academic staff on Council and would, by virtue of this appointment, also be a member of the Academic board with effect from 1 October 2015. A full announcement of the outcome of the election would be placed on Iquad. M15/92
- 11.4 APPROVED the Student regulations for 2015/16 (CL/15/27) that registering and enrolling students were required to agree to abide by. The key changes for 2015/16 were in tone and regulations were now addressed directly to the students rather than written in the third person. The list of regulations was updated and General Regulation 7 had received minor changes as a result of indications from the Consumer Marketing Authority (CMA) that wide liability limitation clauses were unacceptable. M15/93
- 11.5 APPROVED the Student Complaint regulations for 2015/16 (CL/15/28) which were recommended to Council for approval by the PRC following consultation with SURHUL Advice and Welfare Centre. The Student Complaint regulations had been updated in response to guidance from regulators, including the Office of the Independent Adjudicator (OIA) and the Consumer Marketing Authority (CMA) which required student complaints procedure to be easily accessible to students, and to include processes that support statutory duties. There was also feedback from the Internal Auditors, the OIA, and students that the College process, whereby Heads of Departments investigated complaints that originated within their departments, was unfair and created the perception of bias. M15/94
12. **ANNOUNCEMENTS**  
None M15/95
13. **REPORT OF DECISIONS TAKEN BY THE CHAIRMAN**  
None M15/96
14. **REPORT OF DECISIONS TAKEN BY CIRCULATION**  
None M15/97
15. **REGISTER OF INTERESTS**  
NOTED that following the meeting of Council Executive on 29 April 2015 discussion needed to take place regarding staff member declarations. The register would be brought to Council when the Register had been agreed by Council Executive. M15/98
16. **HILDA MARTINDALE TRUST**  
NOTED the report from the Trust (CL/15/29) M15/99
17. **ACADEMIC BOARD MINUTES**  
NOTED Academic Board minutes of the meeting of 10 December 2014 (CL/15/30) M15/100
18. **RECEIVED THE FOLLOWING MINUTES (CL/15/31)** M15/101  
Remuneration Committee 29 October 2014  
Capital Projects Assurance Committee 2 February 2015  
Council Executive 18 February 2015:
- NOTED that following the procedure agreed by Council at its meeting on 18 November 2014, the Council Executive Committee agreed to co-opt pool member David Williams to Finance Committee with the approval of the Chair of Finance and the Finance committee.

Equality & Diversity 26 February 2015

Health & Safety Assurance 30 March 2015

Council Executive met 29 April (Minutes will be circulated at the July meeting)

Capital Projects Assurance Committee met 6 May 2015 (Minutes will be circulated at the July meeting)

19. **NOTED THE FOLLOWING COMMITTEES HAVE NOT MET SINCE THE LAST MEETING OF COUNCIL** M15/102  
Audit & Compliance Committee next meeting 27 July 2015  
Finance Committee next meeting 11 June 2015  
Remuneration Committee next meeting 16 June 2015
20. **SEALING OF DOCUMENTS** M15/103  
23 March 2015; Exclusive licensing agreement between Shire International GmbH and the College.  
31 March 2015; Planning obligation by deed of agreement under section 106 and section 106a of the Town and Country Planning Act 1990 (as amended) relating to the development of land on/at Egham Hill, Egham, Surrey. Planning Application Ref RU14/0099  
6 May 2015; Royal Holloway and Bedford New College and Geoffrey Osborne Limited, Pre Construction Services Agreement in relation to the new Library and Student Services Building
21. **DATE OF THE NEXT MEETING** M15/104  
NOTED that the next meeting of Council would be held on Wednesday 1 July 2015 at 5pm in MX034.
22. **CONFIRMATION OF COUNCIL MEETING DATES FOR 2015/16** M15/105  
Wednesday 7 October 2015 5pm  
Tuesday and Wednesday 17/18 November 2015 Strategy day and Council Meeting  
Wednesday 24 February 2016 5pm  
Wednesday 11 May 2016 5pm  
Wednesday 6 July 2016 5pm

  
Mr Stephen Cox CVO  
Chair of Council

Date

1 July 2015



