Minutes of the meeting of Council held on Thursday 23 November 2017 at 11.30am at Cumberland Lodge, Windsor Great Park

Present:  
Mr Stephen Cox (Chair)  
Ms Natasha Barrett  
Ms Ann Ewing  
Ms Tina Harris  
Dr Bob Fitzgerald  
Mr John Gregory  
Mrs Margaret Jack  
Ms Denise Keable  
Professor Paul Layzell  
Ms Sarah King

Apologies:  
Ms Emilie Ancelin  
Professor Sarah Ansari  
Ms Anna Sendall

In attendance:  
Mr Stephen Avery  
Ms Marie Ennis  
Professor Rob Kemp

With:  
Dr David Ashton  
Mrs Pauline Martin  
Mr Doug German  
Miss Chloe Spencer

FORMAL BUSINESS

1. MINUTES
CONFIRMED the minutes of the meeting held on 5 July 2017 (M17/120-M17/180)  

2. MATTERS ARISING FROM THE MINUTES
CONSIDERED any matters arising, not covered elsewhere on the agenda.

3. REGISTER OF INTEREST
INVITED members to indicate if they have a conflict of interest, not previously declared, with an item on this agenda.

4. UNSTARING OF ITEMS
NOTE the un-starring of any part B items.

NOTE that item 19, Science Building, would be unstarred, and a paper tabled.

PART A: MAJOR ITEMS OF BUSINESS

5. RECRUITMENT OF THE CHAIR OF COUNCIL
RECEIVED an oral update from the Vice Chair of Council
DISCUSSED the process thus far to recruit a new chair of Council, noting that the Search Working Group had worked with the Executive Search firm Perrett Laver to identify names and that the list had been drawn down to seven individuals.

NOTED that candidates had responded well to the process, and spoke highly of the institution; and that the shortlisted candidates would be brought onto campus for immersion days to inform the process further, and to give them a better sense of the institution and its challenges.

NOTED that the Search Working Group hoped to bring forward the names of two candidates to the next meeting of Council for their recommendation.

6. **PRINCIPAL’s REPORT**

RECEIVED an oral report from the Principal.

NOTED that the Council papers contained the mid-term strategy action plan, which encapsulated much of the discussion from the Council Strategy Day.

NOTED that the February Council meeting would include a briefing; and Council members were invited to consider what subjects would be most informative.

NOTED that with the upcoming departure of Professor Rob Kemp (RK), the deputy Principal, consideration was being given to the changing of roles in line with the evolution of the Executive team. Further noted the essential contribution which came from Professor Kemp, and would be needed from his successor, in academic planning and strategy.

NOTED that a Senior Vice-Principal with a portfolio similar to that of RK would be appointed, and that Ann Ewing had agreed to act as the member of Council on the appointment panel. Further noted that following the departure of RK, senior colleagues would be given the relevant letters of authorisation to act as Deputy to the Principal when required.

7. **OFFICE FOR STUDENTS**

CONSIDERED the response to the regulatory framework consultation (CL/17/68)

NOTED that the consultation was a very substantial document; and that the College would be taking advice from Universities UK into account when responding.

NOTED that the consultation raised questions around the relationship the Office for Students should have with students; and that there were challenges to be raised in the documentation about the authority with which the OfS would speak for them.

NOTED that the paper set out the technical details; and that the key decision for Council was the transition phase, and that final signoff would come later.

CONSIDERED the interest of the OfS in the ‘Value for Money’ agenda, and issues around cross-subsidy; noted the need to engage in the latter issue particularly, given the reliance of institutions on the ability to cross-subsidise.

NOTED that the cost of HEFCE was currently top-sliced from the sector’s grant; and that a separate fee for the OfS would be forthcoming.

8. **FINANCIAL STRATEGY INCLUDING STUDENT RESIDENCES**

8.1 RECEIVED an update on the Financial Strategy and a progress report on the student residences transaction (CL/17/69)

8.2 RECEIVED a report of the financial and logistical implications of the opening of new student residences on Campus (CL/17/70)
NOTED that there were two areas of the College Financial Strategy which were being brought particularly to the attention of Council. These being the triggering of the initial stage of a residences transaction, inviting potential partners to furnish the College with their credentials; and the advancement of the rolling credit facility, which was in the final stages of putting out tender information to interested banks.

NOTED the shortfall in student residences income for the 2017/18 academic year against budget, due to a higher than anticipated number of voids. Further noted that steps had been taken to offset the loss of income, and that the Executive was confident that it was not a structural problem with the residences, and that it would be corrected for the 2018/19 academic year.

DISCUSSED the potential to offer more rooms on campus to returning students, and noted that the College was already engaging with the Students’ Union in order to best publicise the availability of more rooms.

CONSIDERED in relation to paragraph 7 of paper CL/17/70, whether the covenants currently restricting the ability of College to offer accommodation to other groups could be reviewed.

NOTED that elements of the shortfall seemed to be down to planning deficiencies, which were being addressed through revised governance structures and that processes would be realigned. Further noted that in looking at student numbers, financial plans could take a more modest assessment for planning purposes than could be used to set targets.

9. **FINANCIAL MATTERS**

   **Financial Statements 2016/17**

9.1 RECEIVED the annual accounts (CL/17/71)

   NOTED that the financial statements and letter of representation were submitted for approval alongside commentary on statements, and that Council were asked to approve the statements in the context of these comments.

   NOTED that Finance Committee had reviewed and approved the statements, that they had also been reviewed by Audit and Compliance Committee and audited by the external auditors BDO.

   NOTED that the reduced surplus was primarily due to the increase in staff costs, and that new accounting standards would mean more volatility in the numbers. Further noted that the Chair of Finance Committee was drawing out that a set of assumptions had to be made about the movement in pensions cost and performance of the fund, which weren't really knowable until the year end.

   NOTED that whilst HEFCE had traditionally concerned itself principally with the bottom line, the new regime under the Office for Students had new reporting with a focus on 'adjusted net operating cash flow'.

   NOTED in relation to point 9 of paper CL/17/71, that reference was made to a full revaluation of the picture collection in 2016, and clarity was sought on this.

   APPROVED the signing of the financial statements and the letter of representation.

9.2 RECEIVED and APPROVED the annual sustainability report for the academic year 2016/17 (CL/17/72)

   NOTED that the report was based on a focused set of performance indicators, and whilst new guidance was expected from the Office for Students, it was anticipated to remain broadly similar.
10. **ACADEMIC QUALITY ASSURANCE**

RECEIVED a report from the Academic Quality Working Group regarding assurance to HEFCE (CL/17/73).

DISCUSSED the work done thus far strengthening the link between Council and College Committees, in addition to the link between Council and Academic Board.

NOTED that a great deal of work had been done, and noted particular thanks of Council to David Spence for his attentiveness and leadership.

AGREED that Council confirm to HEFCE that College was compliant with the requirements set out in the Annual Assurance return regarding quality and standards.

11. **ANNUAL REPORT FROM THE AUDIT AND COMPLIANCE COMMITTEE**

RECEIVED the report for 2016/17 of the Audit and Compliance Committee (CL/17/74)

NOTED in relation to the external audit that the role of the Audit and Compliance committee was to interrogate the process rather than content. Further noted that the process had been rigorous, and the auditors had given good feedback on the finance team, as well as a clean bill of health for the institution.

NOTED in relation to the internal audit, that ACC had been provided with a range of information on a range of operations, further discussed a number of issues.

NOTED the work ongoing in respect of Cyber Security, and that progress was being made.

CONSIDERED the issue of 'Value for Money', which was looked at each year in the course of other audits, and whether the way it was considered needed to be changed in the new environment under the Office for Students.

DISCUSSED the nil assurance from internal audit on procure-to-pay, and the potential for serious issues with the systems in place, noting the actions in process, and still to be taken. It was noted that there was not a high chance of fraud, but that there were issues with high volume, lower value transactions. It was further noted that these issues would be resolved through the re-engineering of the process.

REQUIRED that Audit & Compliance Committee continue to monitor and report to Council.

APPROVED the report of the Audit & Compliance Committee for submission to HEFCE.

12. **HONORARY AWARDS**

12.1 RECEIVED and APPROVED the recommendations for the award of six honorary degrees of the University of London for 2018 (CL/17/75)

12.2 RECEIVED and APPROVED the recommendations for the award of honorary fellowships of the College for 2018 (CL/17/76)

NOTED that a small number of honorary awards were given out by the College each year for eminent individuals, and those who had been of particular service to the College. Further noted that Council Executive had considered a number of cases and had arrived at the recommendations in the document, which had passed through Academic Board and been cleared by the University of London.
NOTED that Honorary Fellowships of the College were proposed for Mr Iain Ross and Professor Justin Champion.

NOTED that nominees for Honorary Fellows and Honorary Degrees were not aware that they had been proposed, and Council were asked to ensure confidentiality.

PART B: ITEMS FOR REPORT AND FORMAL APPROVAL

13.* ANNOUNCEMENTS
None

14.* REPORT OF DECISIONS TAKEN BY THE CHAIRMAN
None

15.* REPORT OF DECISIONS TAKEN BY CIRCULATION
None

16.* COMPLIANCE
RECEIVED the second annual Prevent report (CL/17/77)

17.* TREASURY MANAGEMENT POLICY
NOTED a change to the treasury management policy (CL/17/78)

18.* ESTATES PROJECTS
RECEIVED an update on estates projects (CL/17/79)

19. SCIENCE BUILDING
RECEIVED and APPROVED the shortlist of potential names for the Science Building (CL/17/80)

NOTED that Council had received notice of the process to identify names for new buildings during the July meeting, and that the process had been followed to shortlist the names presented. Further noted that the names would be put to consultation with staff and students in the coming term, with a view to present a recommendation to Council in the new year.

20.* TERMS OF REFERENCE

20.1* AGREED the terms of reference of the Remuneration Committee (CL/17/81) NOTING that the minutes of the Remuneration Committee meeting of June 2015 clarified the role of the Principal in its meetings. The minutes were delivered to Council at the 7 October 2015 meeting and this is noted in the minutes (M15 232). Since that time the Principal should have been recorded as “in attendance” at Remuneration Committee meetings. The Principal continues to withdraw from the meeting where appropriate.

20.2* AGREED the terms of reference of the Health & Safety and Equality & Diversity Committees (CL/17/82)

21.* ACADEMIC BOARD
Minutes of Academic Board meetings 11 October not yet available

22.* RECEIVED THE FOLLOWING MINUTES (CL/17/83)
Council Academic Quality Assurance Committee 15 September 2017
Council Executive Committee 20 September 2017
SEALING OF DOCUMENTS

4 October 2017: Deed of Warranty for new library building: RHBNC and Conder Allslade Ltd
4 October 2017: Deed of Warranty for new library building: RHULBNC and Colorminium (London) Ltd
4 October 2017: Deed of Warranty for new library building: RHULBNC and Elan Lifts Ltd
4 October 2017: Deed of Warranty for new library building: RHULBNC and Norstead Ltd
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Ove Arup & Partners Intl Ltd and Geoffrey Osborne Ltd (x6)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, Mechanical & Electrical Breeam: RHULBNC and Ove Arup & Partners Intl Ltd (x4)
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Stride Treglown Ltd and Geoffrey Osborne Ltd (x3)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, architect & head designer, between RHULBNC and Stride Treglown Ltd (x2)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, between RHULBNC and Rider Levett Bucknall UK Ltd (x2)
12 October 2017: Deed of Admission/Accession between University of Adelaide and Regents of University of California and RHULBNC and University of Western Australia (x2)
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Stride Treglown Ltd (x3)
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Ove Arup & Partners Intl Ltd (x3)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, between RHULBNC and Ove Arup & Partners Intl Ltd (x2)

OTHER BUSINESS

DISCUSSED the state of the Scheme, and noted that Dr David Ashton had written to the Charity Commission in regard to the delays in their progress. Noted that the Charity Commission had apportioned responsibility to the Department of Culture, Media and Sport.

Council APPROVED an approach to continue the College’s approach through contacts at the Charity Commission, rather than bypassing them in favour of approaching DCMS.

NOTED the thanks of Council to Mr Gurpreet Dehal, who had been an outstanding member of Council, and who would be stepping down in the new year due to his new position on the Board for the Office for Students.

NOTED the thanks of Council to Dr Nicole Rickett for her contribution to the work of Council, further noting that she would be leaving the College.
NOTED the thanks of Council to Professor Rob Kemp, for his profound and longstanding contribution to the College and its activities, noting further the personal thanks of Council members for his advice, guidance and support.

25. DATE OF THE NEXT MEETING
Wednesday 21 February 2018 5pm

Signed:
Mr. Stephen Cox CVO
Chair of Council

Date 21 Feb 2018