



COUNCIL

Tuesday 9 July 2013

MINUTES

PRESENT:

Sir Stephen Wall (*Chair*)

Professor David Attwell	Mr Ven Balakrishnan
Dr Bob Barber	Mr Edwin Clifford-Coupe
Ms Philippa Foster-Back	Professor Sir Malcolm Grant
Mr Mark Knight	<i>(President and Provost)</i>
Mr Simon Melliss (<i>Treasurer</i>)	Ms Vivienne Parry (<i>Vice-Chair</i>)
Ms Katharine Roseveare	Dr Gill Samuels
Dr Stephanie Schorge	Dr Sarah Snyder
Professor Chris Thompson	Professor Nick Tyler
Baroness Warwick	Professor Maria Wyke

Present but not voting: Jeremy Bentham

In attendance: Mr Mohammed Zayyan Butt (UCLU Ethics, Environment and Operations Officer-elect); Mr Keir Gallagher (UCLU Education and Campaigns Officer-elect); Mr Andrew Grainger (Director of UCL Estates) (for Minute 97); Mr Phil Harding (Director of Finance and Business Affairs); Mr Rex Knight (Vice-Provost (Operations)); Mr Geoff Lang (Director of Policy and Planning) (for Minute 98); Ms Fiona McClement (Equalities and Diversity Adviser) (for Minute 98); Mr Nick McGhee (Assistant Secretary to Council); Mr Tim Perry (Secretary to Council).

Apologies for absence were received from: Lord Clement-Jones and Ms Natasha Gorodnitski.

Key to abbreviations used in these Minutes:

FBA	Finance and Business Affairs
FC	Finance Committee
HEFCE	Higher Education Funding Council for England
HR	Human Resources
QR	Quality Research Funding
REF	Research Excellence Framework
TRAC	Transparent Approach to Costing
UCLB	UCL Business Plc

<p style="text-align: center;">Preliminary Formal Business</p>

90 **DECLARATION OF INTERESTS**

Noted

- 90.1 Any member of Council who had (or who knew of a family member who had) a material, personal, financial or other beneficial interest in any item on the Agenda was requested to declare that interest at the beginning of the meeting in order that such declaration could be recorded in these Minutes. No such interests were declared.

91 **QUEEN'S BIRTHDAY HONOURS 2013**

Noted

- 91.1 APPENDIX C 7/75 (12-13) – a paper detailing members of the UCL community recognised in the Queen's Birthday Honours list 2013.

Reported

- 91.2 The Chair congratulated the Provost, on behalf of Council, on the award of a knighthood.

92 **MINUTES**

Approved

- 92.1 The Minutes of the Council meeting held on 15 May 2013 [*Council Minutes 78-89, 2012-13*] were confirmed by Council and signed by the Chair.

93 **FINANCE COMMITTEE MINUTES**

Noted

- 93.1 The Minutes of the Finance Committee meeting held on 19 June 2013 were noted.

Matters for discussion

94 **FINANCIAL UPDATE**

Received

- 94.1 APPENDIX C 7/76 (12-13) – an updated forecast for 2012-13.
- 94.2 An oral report from Mr Phil Harding, Director of Finance and Business Affairs.

Reported

- 94.3 The forecast surplus, which was unchanged at £10.1m, now incorporated the downward adjustment to the HEFCE teaching grant noted at a previous meeting [*Council Minute 67.4, 2012-13*] as well as the impact in the current year of additional staff recruitment ahead of the census date for REF 2014.
- 94.4 Academic areas were forecasting a £5m shortfall on budget, mostly on non-core activities. Research grant income was £24m above budget, with a slight fall in overheads. Professional Services were showing a small favourable variance. Cash was £34m above target but a £14m cash outflow, subject to capital expenditure and the rate of debt recovery, was anticipated across the year. The NHS debt position continued to improve. Nevertheless, the surplus was proving resistant to attempts to move it back towards the target of £19m that had been set prior to the change of accounting treatment for the receipt of HEFCE capital funds to cover investment in the Francis Crick Institute. There was some cause for optimism, however, in respect of marginal improvements in the latest figures on overhead recovery and in the financial performance of Professional Services.

Discussion

- 94.5 Noting that Finance Committee had requested additional information on UCLB at its most recent meeting, a Council member suggested that it would be useful in particular to receive information on the number of approaches made to UCLB, and the rate of conversion of approaches into projects. It was confirmed that UCLB had been asked to address this area at the next FC meeting with a paper giving context to the figures in the financial update.
- 94.6 Council noted the high interest rates payable on some historical debt, and the lessons this suggested, given the strength of the balance sheet.

95 **UCL BUDGET 2013-14**

Received

- 95.1 APPENDIX C 7/77 (12-13) – the UCL Budget proposal for 2013-14.
- 95.2 An oral report from Mr Phil Harding, Director of Finance and Business Affairs, and the Treasurer (on behalf of Finance Committee).

Reported

- 95.3 The budgeted surplus was £30.5m, which represented an underlying surplus (net of income from the sale of two properties) of £16.7m – approximately 1.7% of income.
- 95.4 The budget had been set within the context of projected improvements in the surplus towards a target level of 5-6% over the next 3-4 years. Work on an implementation plan to achieve that improvement was under way. The financial year 2013-14 would carry extra costs of approximately £3m in respect of staff appointments ahead of the REF, as the anticipated QR return on that investment would not be received until the year 2015-16, together with an additional £3m depreciation.

Discussion

- 95.5 The Treasurer reported that Finance Committee, at its meeting on 19 June, had approved the budget with some reluctance. The Committee would have preferred to see a larger budgeted surplus which reflected more closely the scale of UCL's ambition to invest and expand. Finance Committee had also noted that the timetable for approval of the budget constrained the Committee's ability to influence significantly the development of the budget. The Director of FBA had been asked to look at developing a timetable for future years which would enable FC to discuss the principles of the budget at an earlier stage in the annual cycle. The Treasurer also reported that FC had requested additional detail on the financial strategy that would bring about the necessary improvement in UCL's financial performance.
- 95.6 The settlement announced in the Chancellor's Comprehensive Spending Review statement on 26 June had been broadly positive for the HE sector, and included a stronger element of capital funding than might have been expected.
- 95.7 In response to queries on specific details of the budget, the Director of FBA confirmed that contribution targets were set using the TRAC methodology of apportioning central costs to academic areas, and that the budgeted 1% salary increase reflected the anticipated outcome of negotiations at a national level in respect of cost of living, and was not adjusted for promotion and incremental pay rises.

RESOLVED – on the recommendation of Finance Committee

- 95.8 **That the 2013-14 Budget be approved.**

96 **ESTATES AND FUNDING STRATEGY**

Received

- 96.1 APPENDIX C 7/78 (12-13) – an update on progress in developing the Estates and Funding Strategy.
- 96.2 An oral report from Mr Phil Harding, Director of Finance and Business Affairs.

Reported

- 96.3 The paper set out the scale of UCL's ambition for investment in the estate, including a budget of £280m for development of a new university quarter and a full schedule of other capital projects currently under consideration. Although it was beyond UCL's means to realise every project on the list, an investment of approximately £1.2bn over the coming decade was feasible if a higher level of operating performance could be achieved. Benchmarking suggested that a target surplus of 5-6% over the period was not unrealistic. The strategy also envisaged borrowing of approximately £250m, commencing in 2014-15.

Discussion

- 96.4 The paper included a list of criteria to be considered in prioritising proposed capital projects, though these were not given in order of preference. Noting that there were two major capital projects for consideration elsewhere in the papers [*see Minutes 107 and 108 below*], Council members suggested that they were not currently in a position to take an informed view on the relative importance of the various projects. In order to do so further detail would be required on the nature of those capital projects that were regarded as urgent or essential, and on UCL's strategic research priorities. It was noted that, in reaching the same conclusion, Finance Committee had also requested information on the nature of UCL's high margin activities. It was suggested that there would be value in establishing a working group to consider the potential scenarios over the coming decades to enable Council to evaluate each item in context. Members also requested a timeline of a number of related workstreams, detailing key milestones.
- 96.5 It was noted that the list of projects in Annexe 1 to APPENDIX C 7/78 (12-13) was taken from the Bloomsbury Masterplan and was therefore in need of review; a process of checking these projects with the Schools concerned was ongoing.
- 96.6 Council was advised of plans for an increase in student residences provision, notably the Caledonian Road development and the refurbishment of John Dodgson House. A student member of Council drew attention to the UCLU policy that student accommodation be made available at cost price. UCL's difficulties in competing with commercial student accommodation providers for the purchase of suitable sites in

London, given UCL's lower expectations in terms of the financial return, were noted.

- 96.7 Council noted that UCL's student body was larger than that of several of its major international peers. UCL pursued growth not for its own sake but because it facilitated excellence and the ability to attract the best from around the world; it was important to remain alert, nevertheless, to the potential adverse consequences of growth, including diseconomies of scale, complexities of management, and, most important, effects on the student learning experience. It was noted, however, that a strategy along the lines of that now being developed would be required whether or not UCL planned for growth; the strategy addressed an historical under-investment in and the consequent need for urgent refurbishment of the estate.

97 **NEW UNIVERSITY QUARTER UPDATE**

Received

- 97.1 APPENDIX C 7/79 (12-13) – an update on progress in identifying a site for a new UCL quarter.
- 97.2 An oral report from Mr Andrew Grainger, Director of UCL Estates.

Reported

- 97.3 More than 100 potential sites had been reviewed and a number of promising options were under consideration, both within the London Borough of Newham and elsewhere in London. A shortlist was now being produced and it was hoped that this would be ready for presentation to Council at the meeting on 7 October.

Discussion

- 97.4 The Provost and his successor had met the Mayor and the London Legacy Development Corporation in respect of a site at the Olympic Park. Although resolution of a number of technical issues was outstanding, Council, mindful of time pressures, agreed that the Director of Estates should take steps to research and develop the options for further consideration.
- 97.5 Dr Gill Samuels reported on the progress of a working group tasked with investigating the potential role of external agencies in assisting the development of an academic vision. A potential partner had been identified and discussions were continuing.

98 **EQUALITIES AND DIVERSITY UPDATE**

Received

- 98.1 APPENDIX C 7/80 (12-13) (with Annexes 1 and 2) – an update on the implementation of UCL’s Equalities and Diversity accountability framework.
- 98.2 An oral report from Mr Geoff Lang (Director of Policy and Planning, HR) and Ms Fiona McClement (Equalities and Diversity Adviser).

Reported

- 98.3 Following Council’s expression of concern at the lack of progress in this area earlier in the current academic year [*Council Minute 26, 2012-13*], faculties and UCL’s Professional Services had been required to draw up action plans. The paper provided an update on developments in that process, as well as the latest gender and race equality data. The action plans were varied in quality and level of detail but represented an advance in terms of embedding local accountability. Consideration was being given to publishing progress reports with a traffic light system.

Discussion

- 98.4 Council was content with the framework but continued to be concerned both by a lack of significant overall progress and by evidence of the variable approaches taken in different areas of UCL. The importance of disseminating best practice was noted; the proposal by the Faculty of Engineering Sciences to have at least one female applicant on every shortlist, or else to engage an executive search firm to address the issue, was noted in this respect. It was also noted that a number of funding bodies now required applicants to achieve a stated level on the Athena Swan Charter before releasing funding. Progress towards achieving equalities targets had been incorporated into the appraisal criteria for Deans.
- 98.5 Some Council members queried the feasibility of the 50/50 gender target at grades 9 and 10, observing that this would require a doubling of the number of women in these grades with no increase in the number of men. The value of such aspirational targets was discussed. It was agreed that the lack of progress towards these targets was a greater cause for concern than the failure to achieve them. Council members suggested a number of means of achieving improvements in this area, including establishing a childcare fund for staff, and various possibilities for incentivising improvements at faculty or departmental level. Council again noted the crucial importance of an energetic senior management commitment to promoting the equality and diversity agenda in order for progress towards the achievement of targets to be increased and sustained¹.

¹ A further update to Council was subsequently arranged for the meeting of 20 May 2014.

99 **STATUTE 18**

Received

99.1 APPENDIX C 7/81 (12-13) – the report of the Academic Board Working Group on Statute 18.

99.2 An oral report from the Provost.

Reported

99.3 The Provost-elect had been briefed on the issue and intended to bring it back to Council for discussion during the coming academic year.

100 **PROVOST'S BUSINESS**

100.1 An oral report from the Provost.

100A **Appointment of Student Mediator**

Reported

100A.1 Pursuant to the commitment in the Council White Paper 2011-2021 to 'review the procedures for handling student complaints with a view to establishing an independent student ombudsman with authority to mediate, act relatively informally and speedily and propose practical solutions to resolve justifiable complaints', UCL had created the post of UCL Student Mediator. Dr Ruth Siddall, currently Dean of Students (Welfare), had been appointed Student Mediator with effect from 1 October 2013.

101 **REGULATIONS FOR MANAGEMENT - AMENDMENTS**

Received

101.1 APPENDIX C 7/82 (12-13) –proposed amendments to UCL Regulations for Management 2, 11, 12, 16, 17 and 18.

Noted

101.2 This matter appeared on the Council Agenda as an item for formal approval but a request had been received from a student member of Council for the matter to be raised for discussion.

Discussion

101.3 With reference to the proposed amendment to Regulation for Management 12, indicating that the Joint Staff Student Committee would be chaired in future by the UCL Student Mediator [*see Minute 100A above*] instead of the Dean of Students (Welfare), a student member noted that UCLU had not been consulted in respect of the

discontinuation of the office of Dean of Students (Welfare). It was also noted that there were references to the Dean of Students (Welfare) in Regulation for Management 15, proposals for the revision of which had not been submitted to the current meeting. In response, the Registrar noted that the changes in question had arisen from the White Paper commitment to establish an independent student ombudsman, a review of the structure of UCL student support services, and a subsequent organisational change proposal. Consultation on the latter proposal had been conducted according to UCL's organisational change policy. The student body had not been formally consulted since the proposed change directly affected some staff posts, but the changes implemented as a result of the consultation had been noted in a number of committees with student members and an article had appeared in May 2013 in *The Week @ UCL*. It was intended that proposed amendments to the UCL Student Disciplinary Code and Procedure, and consequent amendments to Regulation for Management 15, would be brought to the next Council meeting. In the meantime, the Registrar's office would be consulting with UCLU on the proposed amendments to the Code and Procedure, in accordance with UCL's Statutes.

RESOLVED

- 101.4 **That the amendments to Regulation for Management as set out in the Secretary's note at APPENDIX C 7/82 (12-13) be approved.**

102 **EXERCISE OF DELEGATED POWERS (FINANCE COMMITTEE) – TUITION FEES**

Received

- 102.1 APPENDIX C 7/84 (12-13) – the proposed tuition fee rates to be charged for the Academic Year 2014-15.

Noted

- 102.2 This matter appeared on the Council Agenda as an item for formal approval but a request had been received from a student member of Council for the matter to be raised for discussion.

Discussion

- 102.3 A student member noted the UCLU's opposition to the rise in UK/EU tuition fees to £9,000. With respect to the proposed minimum rise of 3% in those fees not determined by the Government, it was noted that this reflected an estimate of the inflation rate in 2014-15, rather than the current rate. The fee rises quoted were a minimum to be applied across UCL, with responsibility for the setting of fees for each individual programme devolved to faculties.
- 102.4 The Chair suggested that it would be useful for both Council and Finance Committee to receive, in advance of taking a decision, a paper on the rationale for proposed fee levels, detail of the criteria applied, benchmarking with the sector and additional detail of scholarships.

103 **LEAD OFFICER REPORTS**

Received

- 103.1 APPENDIX C 7/91 (12-13) – the annual Lead Officer reports on the Careers Service, Student Accommodation and Student Welfare.

Reported

- 103.2 The Chair had requested that an updated Student Welfare report be submitted for discussion at the Council meeting of 7 October 2013.

Noted

- 103.3 This matter appeared on the Council Agenda as an item for formal approval but a request had been received from a student member of Council for the Lead Officer report on Student Welfare to be raised for discussion.

Discussion

- 103.4 A bid for two additional posts in Student Psychological Services with effect from 2013-14 had been submitted in the current budget round and an announcement of the outcome was expected shortly². Professor Chris Thompson agreed to be involved in reviewing issues arising from the Lead Officer report on Student Welfare in relation to student counselling support *etc* in advance of the next Council meeting.
- 103.5 A student member of Council expressed concern regarding the current situation with the Gower Place NHS Practice, whose lease on their current premises was due to expire in August 2014 and whose future location was uncertain. The student member concerned asked Council to confirm UCL's commitment to continuing to provide a health care service to UCL students; Council confirmed this unequivocally. The student member also proposed an extension of the lease until such time as suitable alternative premises had been identified. The Chair said that it was not for Council to dictate the course of negotiations between UCL management and the Gower Place Practice, but to assure itself that continuity of care would be provided. That assurance had been received from senior management and the negotiations would go forward accordingly. The student member concerned noted that, as a member of UCLU, he did not consider that he had obtained the assurance he had sought.

RESOLVED

- 103.6 **That the Lead Officer reports on the Careers Service, Student Accommodation and Student Welfare be approved on the understanding that an update on the Student Welfare report be submitted to Council at its next meeting on 7 October 2013.**

² It was subsequently confirmed that the bid for these two posts had been approved.

Matters for approval or information
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104 **HEFCE FINANCIAL FORECASTS**

Received

104.1 APPENDIX C 7/83 (12-13) – the financial forecasts for 2013-14 to 2015-16, with an update of the 2012-13 position submitted to HEFCE in December 2012.

RESOLVED – on the recommendation of Finance Committee

104.2 **That the Financial Forecasts be approved.**

105 **RISK MANAGEMENT UPDATE**

Received

105.1 APPENDIX C 7/85 (12-13) – update on UCL's Strategic Risk Register for 2012-13 and the associated Risk Improvement Updates.

106 **UCLU DRAFT BUDGET 2013-14**

Received

106.1 APPENDIX C 7/86 (12-13) – UCLU Budget first estimates for 2013-14.

RESOLVED – on the recommendation of Finance Committee

106.2 **That the UCLU draft budget at APPENDIX C 7/86 (12-13) be approved.**

107 **BENTHAM HOUSE / HILLEL HOUSE**

Received

107.1 APPENDIX C 7/87 (12-13) – proposals for the refurbishment and extension of Bentham House and Hillel House.

RESOLVED – on the recommendation of Finance Committee

107.2 **That the redevelopment proposals at APPENDIX 7/87 (12-13) be approved.**

108 **ANATOMY BUILDING**

Received

- 108.1 APPENDIX C 7/88 (12-13) – proposals for the refurbishment of the Anatomy building.

RESOLVED – on the recommendation of Finance Committee

- 108.2 That the proposals at APPENDIX 7/88 (12-13) be approved.

109 **ARCHWAY CAMPUS**

Received

- 109.1 APPENDIX C 7/89 (12-13) – a proposal to dispose of the Archway campus.

RESOLVED – on the recommendation of Finance Committee

- 109.2 That the proposal to dispose of the Archway campus at APPENDIX 7/90 (12-13) be approved.

110 **CLIFFORD PUGH HOUSE**

Received

- 110.1 APPENDIX C 7/90 (12-13) – a proposal to dispose of Clifford Pugh House.

RESOLVED – on the recommendation of Finance Committee

- 110.2 That the proposal to dispose of Clifford Pugh House at APPENDIX 7/90 (12-13) be approved.

111 **ACADEMIC UNITS OF UCL**

Received

- 111.1 APPENDIX C 7/92 (12-13) – Proposals for the establishment of academic units of UCL under statute 10 (1).

RESOLVED – on the recommendation of Academic Board

- 111.2 That (i) the Department of Science, Technology, Engineering and Public Policy, (ii) the Sainsbury Wellcome Centre for Neural Circuits and Behaviour, and (iii) the Institute of Clinical Trials and Methodology be established as academic units of UCL with effect from 1 August 2013.

112 **ACADEMIC COMMITTEE / EDUCATION COMMITTEE REPORT ON NEW PROGRAMMES OF STUDY**

Received

- 112.1 APPENDIX C 7/93 (12-13) – the annual report of programmes withdrawn / programmes approved, in accordance with Academic Committee's schedule of delegated powers.

113 **ACADEMIC COMMITTEE SUB-COMMITTEES**

Received

- 113.1 APPENDIX C 7/94 (12-13) – a review of Academic Committee and academic governance structures.

RESOLVED

- 113.2 **That the establishment of a new Student Recruitment and Admissions Committee be approved as set out at APPENDIX C 7/94 (12-13).**

114 **INTERNATIONAL STRATEGY BOARD**

Received

- 114.1 An oral report by Mr Simon Melliss, as Chair of the International Strategy Board, on the meeting of the Board which had taken place earlier on 9 July 2013 and on the following, in particular: the Board's consideration of issues raised by the UCL LGBT Equalities and Advisory Group, with a representative of that Group in attendance at the meeting; UCL's partnership with Nazarbayev University, Kazakhstan. A full report of the Board's discussion of these matters would be available to Council in due course³.

115 **MEMBERSHIP OF COUNCIL 2013-14**

Noted

- 115.1 APPENDIX C 7/97 (12-13) – details of changes in Council membership for the academic year 2013-14.

Reported

- 115.2 The Chair paid tribute to the stewardship of Professor Sir Malcolm Grant, who would be stepping down as President and Provost of UCL at the end of the current academic year. The Chair also expressed

³ Minutes of the ISB meeting of 9 July were circulated with these Minutes.

thanks, on behalf of Council, to Mr Mark Knight for his contribution to the work of Council and the life of UCL, notably through his work as Chair of the Audit Committee, and to the other departing staff and student members of Council – Dr Bob Barber, Dr Sarah Snyder, Mr Edwin Clifford-Coupe and Ms Natasha Gorodnitski.

116 DATES OF COUNCIL MEETINGS 2013-14

Noted

116.1 APPENDIX C 7/98 (12-13) – the Council meeting schedule for the academic year 2013-14⁴.

117 CHAIR'S ACTION ON BEHALF OF COUNCIL

Noted

117.1 APPENDIX C 7/99 (12-13) – details of action taken by the Chair on behalf of Council since the previous update provided on 15 May 2013.

118 MINUTES RECEIVED

Noted

118.1 APPENDIX C *7/100 (12-13)⁵ – a list of committee minutes received since the last meeting of Council on 15 May 2013.

119 APPOINTMENT OF NEXT CHAIR OF UCL COUNCIL

[Sir Stephen Wall withdrew for this item, which was chaired by Vivienne Parry, Vice-Chair of Council].

Received

119.1 APPENDIX C 7/102 (12-13), the process and timeframe for seeking a new Chair of Council, to succeed Sir Stephen Wall from the start of the academic year 2014-15.

Reported

119.2 The Vice-Chair proposed to consult Council members in due course on drawing up a list of the qualities required in the next Chair.

⁴ It was subsequently confirmed, and notified to Council members, that the last meeting of 2013-14 would take place on 8 July 2014.

⁵ An appendix or annexe reference preceded by an asterisk indicates that, for the sake of economy, the document was not issued with the Agenda but was available on request to the Council Secretary's office and is filed with these Minutes.

Discussion

- 119.3 During the course of a discussion on the optimum size and composition of the appointment panel it was agreed that one student member, nominated by the incoming student members of Council, would be added to the proposed membership. It was also suggested that consideration be given to the addition of a non-Council member, perhaps a member of the Provost's SMT. Noting the importance to UCL of the Chair of Council role, Council took the view that a balance would need to be struck between ensuring an appropriate breadth of perspectives on the panel and avoiding the administrative complications which a large membership was liable to give rise to. The case for retaining a lay majority on the panel was noted. It was also noted that the panel's eventual recommendation would be put to the full Council for formal approval.
- 119.4 A student member of Council proposed that the position be elected. It was suggested, however, that this was impractical in view of the necessary confidentiality of the process.
- 119.5 Council agreed that the Vice-Chair of Council should reflect on the points raised in discussion and finalise the membership of the panel in the coming weeks. An update report on progress with the appointment would be given to the Council meeting on 7 October 2013.

RESOLVED

- 119.6 **That, subject to review of the proposed panel membership by the Vice-Chair of Council in the light of Council discussion, the proposed process and timing of the search for a new Chair of Council, as set out at APPENDIX C 7/102 (12-13) be approved.**

Tim Perry
Secretary to Council
August 2013