



COUNCIL

Thursday 15 October 2015

MINUTES

PRESENT:

Dame DeAnne Julius (*Chair*)

Professor Michael Arthur
(*President and Provost*)

Professor Lucie Clapp

Professor David Coen

Dr Andrew Gould

Mr Simon Melliss (*Treasurer*)

Ms Lindsay Nicholson

Professor Nigel Titchener-Hooker

Baroness Warwick

Mr Ven Balakrishnan

Mr Dominic Blakemore

Lord Clement-Jones

Dr Martin Fry

Dr John Hurst

Mr Mohammad Ali Mumtaz

Ms Wahida Samie

Baroness Valentine

In attendance: Ms Wendy Appleby (Secretary to Council); Dame Nicola Brewer (Vice-Provost (International)); Dr Celia Caulcott (Vice-Provost (Enterprise)); Mr Philip Harding (Director of Finance and Business Affairs); Professor Chris Husbands (Vice-Provost (Academic Development)); Mr Rex Knight (Vice-Provost (Operations)); Professor David Lomas (Vice-Provost (Health)); Mr Nick McGhee (Assistant Secretary to Council); Professor David Price (Vice-Provost (Research)); Professor Anthony Smith (Vice-Provost (Education and Student Affairs)).

Apologies for absence were received from: Ms Nahid Majid, Dr Saladin Meckled-Garcia and Mr Philip Sturrock.

Key to abbreviations used in these Minutes:

AB	Academic Board
AC	Academic Committee
ASER	Annual Student Experience Review
BEAMS	School of the Built Environment, Engineering, and Mathematical and Physical Sciences
CSR	Comprehensive Spending Review
CUC	Committee of University Chairs
GES	Global Engagement Strategy
GIG	Global Implementation Group
HE	Higher Education
HEFCE	Higher Education Funding Council for England
IoE	Institute of Education
QS	Quacquarelli Symonds
UCLU	UCL (Students') Union

Preliminary Formal Business

1 INTRODUCTION OF NEW MEMBERS

1.1 The Chair welcomed the new members of the Council: Mr Dominic Blakemore and Dr Andrew Gould (external members); Professor Nigel Titchener-Hooker and Professor Lucie Clapp (elected professorial members); and Ms Wahide Samie and Mr Mohammad Ali Mumtaz (student members); as well as the two new Vice-Provosts, Dr Celia Caulcott (Vice-Provost (Enterprise)) and Professor David Lomas (Vice-Provost (Health)).

2 DECLARATION OF INTERESTS

2.1 No interests were declared.

3 MINUTES

3.1 **Approved:** the Minutes of the Council meeting held on 9 July 2015 [*Council Minutes 68-84, 2014-15*], confirmed by Council and signed by the Chair.

4 MATTERS ARISING FROM THE MINUTES

[see also Minute 6 below]

4.1 Negotiations had now concluded on the establishment of the Centre for Research into Rare Diseases in Children; agreements had been signed and the funds received, including a contribution from the HEFCE Research Partnership Investment Fund [*Council Minute 83, 2014-15*].

Matters for discussion

5 PROVOST'S BUSINESS

5A Senior Appointments

5A.1 Council congratulated Professor Chris Husbands, Vice-Provost (Academic Development), on his appointment as Vice-Chancellor of Sheffield Hallam University. An external appointment process for his successor as Director of the Institute of Education would be undertaken in due course, with Professor Andrew Brown to take on the role of Acting Director in the interim.

5A.2 Professor Anthony Finkelstein, Dean of the Faculty of Engineering Sciences, had been appointed Senior Scientific Advisor to HM Government. He would retain his chair at UCL on a 20% leave-of-absence basis. Professor Nigel Titchener-Hooker had been appointed Acting Dean for the duration of the appointment process.

5B Athena Swan

5B.1 The Equality Challenge Unit had recently introduced a Race Equality charter mark; UCL was one of only eight institutions to have gained a bronze award. UCL was also one of only eight universities nationally to have achieved a silver Athena Swan award at institutional level, and was the only institution to hold both awards. Council members congratulated the Provost and the staff concerned on this significant achievement.

5C University League Tables

5C.1 UCL had dropped two places in the QS World rankings 2015 (from 5th to 7th) ; risen two places in the Shanghai Jiao Tong (from 20th to 18th) and risen 8 places in the THE world league table (from 22nd to 14th).

5D Fundraising

5D.1 Four leading supermarkets (Asda, Morrisons, Iceland and Waitrose) had pledged to support the construction of the Dementia Research Institute at UCL with funds from the 5p charge for single-use carrier bags, with WH Smith and HSS Hire subsequently joining the scheme. The agreement had come about at the instigation of the Chairman of Iceland, Malcolm Walker, who had been a significant donor to research in the area. The financial impact of the scheme was as yet unclear but it had the potential to make a very significant contribution towards the achievement of the capital programme.

5E Comprehensive Spending Review

5E.1 The outcome of the forthcoming CSR would be announced on about 26th November. There was reason to believe that science and research would obtain a flat-cash settlement, but teaching and student support elements were consequently at risk.

5F Teaching Excellence Framework

5F.1 A green paper on the introduction of a Teaching Excellence Framework was expected imminently. The intention was to link teaching excellence to HE funding, measured by discipline areas on the model of the NSS. It was expected that the framework would concentrate on output measures (retention; destination of leavers; and the NSS); UCL could expect to perform strongly on the first two measures, and poorly on the third. The creation of an incentive for students to mark their institutions down in the NSS was noted. The National Union of Students was strongly opposed to the scheme.

6 VICE-PROVOST (EDUCATION AND STUDENT AFFAIRS) REPORT

[PAPER 1-01, 2015-16]

6.1 **Received:** an oral report from Professor Anthony Smith, Vice-Provost (Education and Student Affairs).

6.2 Strong student recruitment in the current academic year belied UCL's poor performance in the National Student Survey (NSS) 2015. Overall student satisfaction had dropped 3%, leaving UCL placed 22nd in the Russell Group,

with only King's College London and the London School of Economics scoring lower.

- 6.3 The NSS asked undergraduate students in their final year to reflect on 23 questions related principally to their academic experience. As well as highlighting those areas of the student experience in which attention was most needed, the NSS scores had a reputational impact both directly and through their use in national league tables. UCL also used the Student Barometer; this was open to all students, and reflected a broader range of the student experience, including wider environmental factors.
- 6.4 UCL had already introduced an ambitious programme of education reform designed to improve the student experience, including: the Connected Curriculum initiative, which was designed to bring students into closer contact with UCL's research and to review assessment and feedback practices; the Annual Student Experience Review (ASER); and the UCL ChangeMakers¹ student engagement programme. In addition, Professor Smith recommended that three key interventions be introduced as soon as practicable: the withdrawal of the charge to students to attend their own graduation ceremony; the further extension of library opening hours; and the earlier publication of the examinations timetable. Council was already aware of the long-term plan for addressing issues with the teaching estate, and would be receiving a presentation on the development of a new Student Centre after the meeting. Despite the value of such measures, however, addressing the underlying issues at UCL was no trivial matter and would take a number of years. The importance of UCLU as a key partner in this process was noted. Council members highlighted the importance of communicating that such measures were being taken overtly as a response to the NSS scores.
- 6.5 The variation in NSS scores between departments was significant. Professor Smith noted that the departments achieving the highest satisfaction rates had a culture of putting students at the heart of their activities. The University of Glasgow had achieved a substantial improvement in scores by introducing student membership of departmental management teams.
- 6.6 On the matter of student recruitment, Council noted the decline in home/EU undergraduate student numbers in 2015-16. Professor Smith drew attention to an adverse national demographic trend over the coming decade.
- 6.7 Council members suggested that it would be helpful in future reports to have details of actions taken under each of the six headings in the NSS, and for these to be incorporated as a standard element of the reports from the Schools.
- 6.8 Council thanked Professor Smith for a frank and thorough report.

¹ <http://www.ucl.ac.uk/changemakers/past-projects/2014-15-projects>

7 FINANCIAL UPDATE

[PAPER 1-02, 2015-16]

- 7.1 **Received:** an oral report from Mr Phil Harding, Director of Finance and Business Affairs.
- 7.2 The paper set out UCL's draft results for 2014-15, pending the settlement of several accounting issues with the auditors. The headline figures were: a draft surplus of £29.4m, representing 2.4% of an income of £1.2bn, £44m higher than budget. This was a significant improvement on 2013-14 where the underlying operational surplus (net of profit on the sale of properties) had been £14m. There was every indication at this stage that UCL was on target to achieve the 3.5% target surplus for 2015-16.
- 7.3 Academic areas had fallen short of budget by about £2.4m, with SLMS and the IoE below and BEAMS and SLASH up on budget. Professional Services and Vice-Provosts' offices had performed above budget despite incurring substantial one-off costs. Capital spend had been £120m, £24m lower than forecast.
- 7.4 The year-end cash balance was £123m; UCL had not yet drawn on the agreed £150m credit facility but expected to do so in the near future. Negotiations with the European Investment Bank for a long-term facility were ongoing.
- 7.5 The Treasurer noted that Finance Committee had raised the issue of forecasting consistency at its meeting on 29 September. The Committee would be considering in due course an analysis of the results net of one-off costs. In view of the discussion of the previous item it was essential that the development of an approach to achieving a steeply rising target surplus be achieved without compromising the student experience, although it was noted that there was no linear relationship at the departmental level between the staff:student ratio and student satisfaction levels.

8 GOVERNANCE PROPOSALS

[PAPER 1-03, 2015-16]

- 8.1 **Received:** an oral report from Ms Wendy Appleby, Secretary to Council.
- 8.2 The proposals had been drafted in light of discussion of the CUC Code of Governance at the Council meeting on 21st May 2015. The draft revisions to the Regulations for Management had been discussed by Academic Board at its meeting on 13th October 2015. The proposals sought to update and clarify UCL's governance arrangements, showing for the first time the role of executive governance in UCL's governance framework, and sought to provide greater transparency on the location and delegation of authority.
- 8.3 Three issues had been raised at the Academic Board meeting earlier in the week. These included: a suggestion by one member that a working group be established to consider the changes to the Regulations for Management in more detail; queries over the rationale for the reduction in the size of the Finance Committee membership; and a question about the formal relationship between Academic Board and Academic Committee and between those two bodies and Council.

- 8.4 *[Baroness Warwick left the room for this part of the discussion]*. Council members endorsed unanimously the Chair's proposal that Baroness Warwick be appointed Vice-chair for the academic year 2015-16.
- 8.5 Five of the academic members of Council proposed that a decision on the paper be deferred to a later meeting, pending further consideration by Academic Board. It was suggested that Academic Board should in particular be invited to give its view on the proposed revised Terms of Reference of the Academic Committee. Academic Board had received the Regulations (Appendix 6) but had not been sent the rest of Paper 1-03.
- 8.6 In discussion, these members noted that they would like more time to consider the proposals' impact on the relationship between Academic Board and Academic Committee, and wished to allow Academic Board members an opportunity to comment on the proposals more broadly. It was therefore agreed that Appendices 1, 3 and 4 would be made available to Academic Board members by way of background to the paper they had already received and discussed, and for comment. The six academic members of Council would meet with the Secretary to review the proposed changes to Academic Committee on behalf of Academic Board, and to review comments from Academic Board members. If necessary, a Special Meeting of Academic Board would be held ahead of the Council meeting of 26 November 2015. Subject to the comments below, Council was content to approve the other elements of the proposals, *ie* all those except for the proposed amendments to the terms of reference of Academic Committee and the Regulations for Management relating to Academic Board and Academic Committee.
- 8.7 The rationale for the reduction in the Finance Committee membership was the intention to improve effectiveness, making the best use of external members' time and ensuring that external members of the committee had a clear understanding of the context to individual items. It was noted that there was no CUC or HEFCE requirement that a university have a finance committee; ultimate responsibility rested with the governing body, although the establishment of a finance committee was a common mechanism for ensuring sufficiently detailed oversight in this area.
- 8.8 Council discussed the proposed Terms of Reference of the Effectiveness Review. The last quinquennial review in 2010-11 had been carried out by an external body, but there was no requirement that this be so, and it had been an internal exercise in 2005-06. Council noted the significant challenge facing a purely external team in developing sufficient understanding of an institution before work began, as well as the likely cost involved in commissioning an external review. The proposed external member mentioned in the paper had been identified with regard to the need to find someone with appropriate expertise in a chartered Russell Group institution with no conflict of interest or existing close relationship to senior personnel at UCL. It was agreed that a student member should be included and that seven was the ideal number of members to constitute the Council Effectiveness Review Working Group, which would have an external majority. Council approved the proposals and invited expressions of interest to the Secretary from those who would be interested in joining the Group.

RESOLVED

- 8.9 That **Baroness (Diana) Warwick be appointed Vice-Chair of Council with immediate effect until 30 September 2016;**
- 8.10 That the **Terms of Reference of the quinquennial review of effectiveness be approved;**
- 8.11 That the **membership of the quinquennial review group be approved, subject to the inclusion of a student member and maintaining a maximum size of seven, with an external majority;**
- 8.12 That the **amendments to the terms of reference of the following committees be approved: Audit Committee, Ethical Investment Review Committee, Ethics Committee, Finance Committee, Honorary Degrees and Fellowships Committee, Human Resources Policy Committee, Remuneration Committee;**
- 8.13 That the **proposed amendments to the Regulations for Management, apart from the Regulation 2.13 (to become regulation 2.12), be approved, subject to any final comments by Academic Board members.**

9 GOVERNANCE FRAMEWORK FOR GLOBAL PARTNERSHIPS

[PAPER 1-06, 2015-16]

- 9.1 **Received:** a note on the governance arrangements for the four types of international partner as defined in the Global Engagement Strategy (GES).
- 9.2 At the Away Day on 30 March 2015 Council had requested further detail on two points: the locus of responsibility for approving the establishment of partnerships at each of the four levels (Paper 1-06); and the geographical priorities informing the implementation of the GES (Paper 1-07).
- 9.3 Paper 1-06 set out a governance framework ranging from the relatively light-touch approach for a Fundamental partnership, to the requirement for Council approval and annual reporting for an Anchor partnership. The Global Implementation Group (GIG) was now established to oversee the governance process. It was suggested that external input to the GIG might be helpful.
- 9.4 UCL was now in discussions over the second part of the ten-year contract at UCL Qatar.

Matters for approval or information
--

10 COUNCIL – TERMS OF REFERENCE, CONSTITUTION AND MEMBERSHIP 2015-16

[PAPER 1-04, 2015-16]

- 10.1 Council's terms of reference, constitution and membership 2015-16 were noted.

11 **REGISTER OF INTERESTS**

[PAPER 1-05, 2015-16]

11.1 **Received** – the annual declarations from Council members in the Register of Interests.

11.2 Council members and those in attendance signed their own entries in the Register during the course of the meeting.

12 **GLOBAL ENGAGEMENT STRATEGY: GEOGRAPHICAL PRIORITIES**

[PAPER 1-07, 2015-16]

12.1 **Received** – an overview of geographical priorities informing the first phase of implementation of the Global Engagement Strategy.

13 **UCL SEAL – ANNUAL REPORT**

[PAPER 1-08, 2015-16]

13.1 **Received** – a report of sealings carried out between 1 October 2014 and 30 September 2015.

14 **ACTION TAKEN BY THE CHAIR**

[PAPER 1-09, 2015-16]

14.1 **Received** – a note of action taken by the Chair on behalf of Council since the last report.

15 **DATE OF NEXT MEETING**

15.1 The next Council meeting would be held on **26 November 2015** at 3pm.

Wendy Appleby
Secretary to Council
October 2015