



## COUNCIL

Tuesday 17<sup>th</sup> July 2018

### MINUTES

*PRESENT:*

Dame DeAnne Julius (*Chair*)

|   |  |
|---|--|
| Professor Michael Arthur ( <i>President and Provost</i> ) | Mr Dominic Blakemore                     |
| Professor Lucie Clapp                                     | Mr Farooq Dean                           |
| Professor Annette Dolphin                                 | Dr Martin Fry                            |
| Dr Andrew Gould   | Professor Patrick Haggard                |
| Ms Lindsay Nicholson                                      | Mr Turlogh O'Brien                       |
| Dr Hynek Pikhart  | Mr Mahmud Rahman                         |
| Lord Sharkey  | Mr Philip Sturrock ( <i>Treasurer</i> )  |
| Mr Justin Turner QC                                       | Ms Sarah Whitney                         |
| Professor Andrew Wills                                    | Baroness Valentine ( <i>Vice-Chair</i> ) |

*In attendance:* Ms Wendy Appleby (Secretary to Council); Ms Anne Marie O'Mullane (Assistant Secretary to Council); *For minutes 102 - 121:* Dr Celia Caulcott (Vice-Provost (Enterprise and London)); Mr Phil Harding (Director of Finance & Business Affairs); Mr Rex Knight (Vice-Provost (Operations)); Professor Anthony Smith (Vice-Provost (Education and Student Affairs)); *For minutes 106 – 121:* Professor David Lomas (Vice-Provost (Health)); *For minute 118:* Professor Gudrun Moore (Pro-Vice-Provost International)

Apologies for absence were received from Ms Nahid Majid and Dr Dame Nicola Brewer.

*Key to abbreviations used in these Minutes:*

|        |   |
|--------|---|
| AB     | Academic Board  |
| AC     | Academic Committee  |
| AMRC   | Association of Medical Research                                       |
| CASE   | Council for Advancement and Support of Education                      |
| EDH    | Eastman Dental Hospital   |
| ERC    | European Research Council   |
| HR     | Human Resources   |
| IOE    | UCL Institute of Education  |
| ISD    | Information Services Division   |
| JEP    | Joint Evaluation Panel  |
| LEAG   | LGBTQ+ Equality Advisory Group  |
| NASDAQ | National Association of Securities Dealers Automatic Quotation System |
| OfS    | Office for Students   |
| PGT    | Postgraduate Taught   |

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|------|--|
| RPIF | Research Partnership Investment Fund   |
| THE  | Times Higher Education                 |
| TOPS | Transforming Our Professional Services |
| UCLB | UCL Business                           |
| UCU  | University and College Union           |
| UG   | Undergraduate                          |
| UKVI | UK Visas and Immigration               |
| USS  | Universities Superannuation Scheme     |
| UUK  | Universities UK                        |

## 102. MEMBERSHIP OF COUNCIL

102.1 The Chair welcomed the two new student members, Mr Farooq Dean and Mr Mahmud Rahman.

102.2 The Chair thanked external member of Council, Ms Nahid Majid, and former student members of Council, Mr Hamza Jamshaid and Ms Sarah Al-Aride, for their service to Council.

## 103. REGISTER OF INTERESTS

103.1 No interests were declared.

## 104. MINUTES OF THE PREVIOUS MEETING

104.1 **Approved:** - The minutes of the meeting held on 5<sup>th</sup> June 2018 [Council Minutes 85 – 101, 2017-18], subject to following changes being made:

- Include Dr Celia Caulcott, Professor David Price and Professor Anthony Smith in the attendance category.
- Include Lord Sharkey's declaration of interest as Chair of the AMRC in Minute 85.1.
- Include the word "ex-officio" before the word "member" in Minute 89.1.

## Matters for Discussion

## 105. PROVOST'S BUSINESS

### 105A OfS

105A.1 UCL had been registered by the Office for Students in the register of English higher education providers.

**105B Graduations**

- 105B.1 16,437 students had graduated from UCL in the past academic year with their achievements celebrated at the recent graduation ceremonies. This comprised 4863 UG, 10,476 PGT, and 1,098 PhD students.

**105C Spin-Out success**

- 105C.1 A number of UCLB spin-outs had received substantial investment. Autolus Therapeutics Ltd, a UCLB spin-out, made its debut on the NASDAQ stock market at the end of June and raised \$160 million in investment. MeiraGTx Holdings plc, which acquired a majority of UCLB spin-out Athena Vision in 2016, raised \$75 million at the close of its initial public offering on the NASDAQ. Freeline Therapeutics had announced that it had raised over £88 million of new capital in a Series B financing. This would allow the companies to continue to improve treatments for patients with life-threatening diseases.

**105D Visitor**

- 105D.1 There was no significant new information from the Visitor at this stage.

**105E UKVI Compliance**

- 105E.1 UCL was waiting to hear from UKVI on the outcome of the recent audit of Tier 2, 4 and 5 visas.

**105F Changes to Reporting Lines in Professional Services**

- 105F.1 The retirement of the Vice-Provost (Operations) at the end of the year had prompted a change in reporting lines in professional services that would come into effect on the 1<sup>st</sup> August 2018. A new Chief Operating Officer would be appointed to lead Estates, HR, ISD and Finance and Procurement, to co-sponsor TOPS with the Vice-Provost (Education & Student Affairs) and to take a lead role in overseeing the design and delivery of UCL-East operations. Student Registry Services and Careers would report to the Office of the Vice-Provost (Education & Student Affairs) bringing all aspects of student education and experience together for the first time.
- 105F.2 The Office of the Vice-Provost (Development) would be renamed the Office of the Vice-Provost (Advancement) led by Ms Lori Houlihan and would take responsibility for Communications & Marketing in addition to Development & Alumni Relations. Planning, and Equality, Diversity & Inclusion would move into the Office of the President and Provost. The reporting lines for UCL Culture, Legal Services, and Research Services were still to be resolved.

## **105G Teaching and Research Excellence**

- 105G.1 UCL had placed fifth among more than 240 universities in the THE Teaching Rankings 2018. UCL had been awarded its 200<sup>th</sup> ERC research fellowship which was a massive achievement.

## **105H USS Pensions**

- 105H.1 UUK had circulated a briefing paper that had a number of questions that needed to be answered by 19<sup>th</sup> July 2018 on the implications of invoking rule 76.5 and the implications of cost-sharing. UCL's response would be to the effect that the cost-sharing option was unaffordable for UCL and would also have an adverse impact on its employees. Any further detailed answers to the questions could not be provided as the time frame was too short. It would be necessary to consult with Academic Board in advance of Council making a decision.
- 105H.2 The Director of Finance & Business Affairs provided some context on the possible reasons for the short time frame for response to the UUK briefing paper, the approach that would be taken to cost-sharing should it be introduced, the progress of the JEP and inaccuracies that were contained in the UCL UCU letter that had been circulated to Council members: UUK was not seeking a projected large deficit as part of the JEP as the letter had indicated and UCL was not thinking of "going it alone".
- 105H.3 There was discussion on the assumptions underpinning the USS evaluation including de-risking, the obligations of the trustees in relation to the deficit recovery plan, and the sensitivity of the scheme to changes in the interest rate and the impact on staff recruitment should cost-sharing be introduced.

## **106. FINANCIAL UPDATE 17-18**

*[Paper 7-72, 2017-18]*

- 106.1 Council considered the Financial Update – Forecast 2, which provided the UCL Full Year Forecast 2017-18, as at March 2018. The forecast surplus for the current year was £85.9m, based on actuals at the end of March, which represented an outperformance of £6.3m. By year-end, the faculty contribution was forecast to meet the budget of £341m which represented a growth of £33m on the previous year. The £16m unassigned improvement target had also been achieved. The projected year-end balance of £139m (excluding ring-fenced research funds held on account) was £40m above budget, primarily representing an additional £18.5m of compensation received from HS2 for Wolfson House and a forecast RPIF receipt of £28.6m for the purchase of the EDH site.
- 106.2 Council discussed the key variances as set out in the report, and feedback was provided by the Director of Finance and Business Affairs. These principal variances included research income and estates capital expenditure. Research overheads continued to increase on a year-on-year basis. With respect to capital expenditure, reprioritisation and project changes within the

year had resulted in reduced spending on UCL East and the IOE Masterplan. These were balanced by the introduction of the Clare Hall and EDH purchases (the latter being a replacement for planned work on Queen Square House) as well as work on Astor College. Some members of Council felt that more should be done to ensure wider understanding of the importance of paying for capital expenditure from surpluses. In response to a question about expenditure on contract staff, the Director of Finance and Business Affairs explained that these staff were utilised to cover vacancies and for project work; provided contract staff were used in a controlled manner, it did not pose a risk.

**107. STUDENTS' UNION UCL ANNUAL REPORT 2017-18 and 2018/19 BUDGET**

*[Paper 7-75, 2017-18]*

107.1 **Received:** - the Students' Union UCL Annual Report 2017-18. Council welcomed the key achievements and campaigns contained in the report. Society memberships had grown by 15.1% and societies had held 939 events. This year the Volunteering Service facilitated students to give 62,400 hours of their time to third sector organisations in London, a 4% increase on last year. Records had been broken for the election turnout. The rebrand had garnered a Gold for Visual Systems Identity from CASE.

107.2 Council considered the Students' Union "break-even" budget for 2018/19, incorporating a grant from UCL of £2.66m representing an increase of 4% from the 2017-18 grant.

**RESOLVED:** - on the recommendation of Finance Committee:

107.3 **To approve the Students' Union First Estimates for 2018-19, incorporating a grant from UCL of £2.66m.**

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| <b>Matters for approval or information</b> |
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**108. ACQUISITION PROPOSAL FOR 36-38 GORDON SQUARE**

*[Paper 7-78, 2017-18]*

108.1 **Deferred:** - Council expressed strong support for the strategic importance of this proposal but deferred taking a decision on this item until after the revised Financial Strategy could be considered in Autumn 2018, since the project was outside the scope of the current capital budget. Council had been advised by the Vice-Provost (Operations) that the anticipated urgency associated with progressing this matter no longer existed.

**109. MEMBERSHIP OF THE NOMINATIONS COMMITTEE**

*[Paper 7-79, 2017-18]*

109.1 **Approved:** - the appointment of Professor Annette Dolphin as a member of Nominations Committee with effect from 1st October 2018.

109.2 Professor Annette Dolphin would join the Chair of Council Selection Committee in an in-attendance capacity until she joined Nominations Committee on the 1<sup>st</sup> October 2018 to ensure a continuity of cover.

**110. SCHEME OF DELEGATION**

*[Paper 7-80, 2017-18]*

110.1 **Approved:** - updates to the scheme of delegation subject to the clarification in the Schedule of Delegation that the Vice-Provost (Education and Student Affairs) was the Dean of Students.

110.2 The re-appointment of the Vice-Provost (Education and Student Affairs) as Dean of Students would be brought back to Council for approval in the Autumn.

**111. TUITION FEES: 2019 – 2020**

*[Paper 7-81, 2017-18]*

111.1 **Received:** - a note of the tuition fees for the academic year 2019-20 approved by Finance Committee.

111.2 It was confirmed that fixed fees had now been implemented for overseas undergraduate students.

**112. CHAIR'S ACTION**

*[Paper 7-82, 2017-18]*

112.1 **Received:** - a paper informing Council of the action taken by the Chair on behalf of Council, and on the recommendation of the Provost, since the last report. This was as follow:

- To approve an amendment to the Student Protection Policy, to include a final section on the communication and review of the Policy following a request by the OfS.

**113. MINUTES OF ACADEMIC BOARD, ACADEMIC COMMITTEE & AUDIT COMMITTEE**

*[Paper 7-84, 2017-18]*

113.1 **Received:** - The unconfirmed minutes of AB on the 14<sup>th</sup> May 2018; the confirmed minutes of AC on the 20<sup>th</sup> February 2018 and the minutes of Audit

Committee on the 17<sup>th</sup> November 2017 and the 18<sup>th</sup> May 2018.

113.2 It was confirmed that Academic Board minutes for the meeting of the 2<sup>nd</sup> May 2018 were out for review and would be submitted to the next meeting of Council as unconfirmed minutes.

**114. COUNCIL MEMBERS AND DATES OF MEETINGS OF COUNCIL IN 2018-19**

*[Paper 7-86, 2017-18]*

114.1 **Received:** - an update on the Council membership and dates of Council meetings for 2018-19.

**115. DATE OF NEXT MEETING**

115.1 The next meeting was scheduled to take place on **Wednesday 10<sup>th</sup> October** at **3pm** in the **Council Room, Wilkins Building**.

**116. LGBTQ+ EQUALITY ADVISORY GROUP REPORT**

116.1 Council welcomed the report of the LEAG that had been tabled by Lord Sharkey

Wendy Appleby  
Secretary to Council  
July 2018