



## COUNCIL

Tuesday 25 March 2014

## MINUTES

### PRESENT:

Sir Stephen Wall (*Chair*)

Professor Michael Arthur  
(*President and Provost*)

Lord Clement-Jones

Mr Keir Gallagher

Dr Saladin Meckled-Garcia

Dr Gill Samuels

Professor Chris Thompson

Baroness Warwick

Mr Ven Balakrishnan

Mr Mohammed Zayyan Butt

Dr Martin Fry

Ms Carol Lake

Mr Simon Melliss (*Treasurer*)

Dr Stephanie Schorge

Professor Nick Tyler

Professor Maria Wyke

*In attendance:* Professor Steve Caddick (Vice-Provost (Enterprise)); Professor Anthony Finkelstein (Dean, Faculty of Engineering Sciences) [*for Minute 97*]; Professor Mary Fulbrook (Dean, Faculty of Social and Historical Sciences) [*for Minute 97*]; Mr Phil Harding (Director of Finance and Business Affairs); Mr Rex Knight (Vice-Provost (Operations)); Mr Nick McGhee (Assistant Secretary to Council); Mr Tim Perry (Secretary to Council); Professor Anthony Smith (Vice-Provost (Education)); Mr Martin Walsh (Commercial Director, Finance and Business Affairs) [*for Minute 97*].

Apologies for absence were received from: Professor David Attwell; Ms Philippa Foster-Back; Ms Vivienne Parry (*Vice-Chair*); Professor David Price (Vice-Provost (Research)); Ms Katharine Roseveare; Professor Sir John Tooke (Vice-Provost (Health)).

*Key to abbreviations used in these Minutes:*

CDT	Centre for Doctoral Training
FBA	[Division of] Finance and Business Affairs
HEFCE	Higher Education Funding Council for England
HEI	higher education institution
REF	Research Excellence Framework
RNOH	Royal National Orthopaedic Hospital
SLMS	School of Life and Medical Sciences
UCU	University and College Union

<p style="text-align: center;"><b>Preliminary Formal Business</b></p>
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**76 DECLARATION OF INTERESTS**

***Noted***

76.1 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.

76.2 Dr Schorge noted that she was a co-applicant on a strategic project that was closely connected with the proposed Russell House development outlined in APPENDIX C 4/66 (13-14) [see Minute 82 below].

**77 MINUTES**

**77A Council: Minutes of the last meeting**

***Approved***

77A.1 The Minutes of the Council meeting held on 11 February 2014 [Council Minutes 54-75, 2013-14] were confirmed by Council and signed by the Chair.

**77B Finance Committee Minutes**

***Noted***

77B.1 The draft Minutes of the Finance Committee meeting held on 11 March 2014.

**78 MATTERS ARISING FROM THE MINUTES**

[See Minute 79 below]

**79 APPOINTMENT OF NEXT CHAIR OF COUNCIL**

***Received***

79.1 APPENDIX C 4/62 (13-14) – formal notification of the appointment of Dame DeAnne Julius as the next Chair of UCL Council, with effect from 1 October 2014.

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<b>Matters for discussion</b>
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80 **PROVOST'S BUSINESS**

*[see also Minute 95 below]*

**Received**

80.1 An oral report from Professor Michael Arthur, President and Provost.

80A **Appointment of Vice-Provost (International)**

**Reported**

80A.1 Dame Nicola Brewer had been appointed Vice-Provost (International) with effect from 7 May 2014. Dame Nicola was currently a senior diplomat at the Foreign & Commonwealth Office, and had been the British High Commissioner to South Africa until last year. She was also the founding CEO and a Commissioner of the Equality and Human Rights Commission.

80B **Appointment of Dean of the Faculty of Mathematical and Physical Sciences**

**Reported**

80B.1 Professor Nick Brook, currently Head of the School of Physics at the University of Bristol, had been appointed Dean of the Faculty of Mathematical and Physical Sciences with effect from 1 September 2014, in succession to Professor Richard Catlow.

80C **UCL 2034: The Next 20 Years**

*[Council Minute 57D, 2013-14]*

**Reported**

80C.1 The consultation process on the *UCL 2034* strategy was under way. The strategy would be further discussed at a meeting of the Academic Board on 14 May, and it was expected that a revised version would be submitted to the Council meeting on 8 July 2014.

80D **Industrial disputes**

*[Council Minute 57B, 2013-14]*

**Reported**

80D.1 The UCU was giving consideration to calling for a marking boycott in relation to the 2013 pay claim, although there was reason to hope that industrial action could still be avoided.

80E **HEFCE Funding letter**  
*[Council Minute 57A, 2013-14]*

**Reported**

80E.1 As reported to the Council meeting of 11 February 2014 *[Council Minute 57A, 2013-14]*, the annual funding letter from the Department for Business, Innovation and Skills had confirmed a net reduction of £45m on the 2014-15 recurrent teaching grant for the sector. It had since been confirmed that the cut would be backdated, resulting in a retrospective reduction in HEFCE funding to UCL of £126,000 for 2012-13 and £813,000 for the current year. UCL's teaching grant for 2014-15 would be cut by £5.1m, with a slight increase in the research grant of £1.2m; this was less than the projected cut. The Government's plans to create an additional 30,000 full-time undergraduate places in 2014/15, with no additional funding, had also been confirmed.

80F **Budget**

**Reported**

80F.1 The Provost drew attention to two elements of the Chancellor's 2014 budget announcement on 19 March 2014: a pledge to invest £42m over the next five years to create the Alan Turing Big Data Institute, and an additional £106m over the same period for the establishment of 20 additional Centres for Doctoral Training (CDTs).

81 **FINANCIAL UPDATE**

**Received**

81.1 APPENDIX C 4/63 (13-14) – the financial results for the half year to end January 2014, and the forecast for the full year 2013-14.

81.2 An oral report from Mr Phil Harding, Director of Finance and Business Affairs.

**Reported**

81.3 The financial performance to date was marginally ahead of budget, but the full year forecast currently showed a £2.7m shortfall on the budgeted surplus of £30.2m. While the operating surplus position was satisfactory, with a favourable variance of £2.8m at the half year and £1.4m at the full year, a range of capital and other exceptional items had had a significant negative impact on the full year forecast.

81.4 The anticipated receipt of increased HEFCE funding in respect of additional student numbers had not been forthcoming, due to the retrospective imposition of reductions in the teaching grant *[see Minute 80E.1 above]*. Measures were being introduced to address the projected shortfall in the current year, including: agreeing limits on equipment expenditure with faculties; reviewing the rate of overhead recovery on research contracts; and working to bring the projected £1m overspend

in Professional Services back within budget. Options for delaying staff recruitment were also being investigated. SLMS was showing a significant adverse variance but there was reason to hope that a good proportion of this could be recovered.

**Discussion**

- 81.5 The Treasurer reported that the Finance Committee had discussed the draft 2014-15 budget at its meeting on 11 March, against the background of the ten-year Estates and Funding Strategy and the ambition to increase the surplus to £50m over the next three years. In that context it was important to keep the projections for the current year in perspective against the longer term projected performance.
- 81.6 The Director of Finance and Business Affairs confirmed that work was being undertaken to benchmark UCL against other HEIs. He anticipated that a progress report would be presented to the Finance Committee meeting of 10 June 2014.
- 81.7 Council members enquired after the reasons behind the projected shortfall in SLMS' contribution target. SLMS has not yet made sufficient progress with the achievement of savings identified when the budget was set; it was also the School most heavily affected by low levels of research overhead recovery.
- 81.8 In response to questions on the data relating to capital assets, it was confirmed that: the Archway campus had been sold for £23m (shared with Middlesex University), with potential for overage depending on the obtaining of planning consent; Clifford Pugh House was still on the market; and that the expenditure of £8.9m against a budget of £4.9m on 132 and 140 Hampstead Road had been the result of a decision, taken after the budget had been agreed, to use the property as decant space for staff displaced by the refurbishment of Wates House.
- 81.9 The difficulty of establishing greater financial control of research overheads was principally due to the shifting nature of the mix of research activity. Staff recruited ahead of the REF had not generated research income as quickly as had been projected, and there had been delays in securing the transfer of some existing research income. Although academic staff were encouraged to focus their applications on those funding bodies awarding the highest rate of overheads, other sources of research income (for example the EU) were nevertheless of vital importance.

**Matters for approval or information**

**82 RUSSELL HOUSE**

*Received*

82.1 APPENDIX C 4/66 (13-14) – a business case in support of the acquisition of two floors of Russell House.

**RESOLVED** – on recommendation of Finance Committee

82.2 **That the business case for the acquisition of two floors of office space at Russell House be approved.**

**83 66-72 GOWER STREET**

*Received*

83.1 APPENDIX C 4/67 (13-14) – a proposal to refurbish and remodel 66-72 Gower Street.

**RESOLVED** – on recommendation of Finance Committee

83.2 **That the proposal to renovate and remodel 66-72 Gower Street be approved.**

**84 BOSTON HOUSE**

*Received*

84.1 APPENDIX C 4/68 (13-14) – a proposal to acquire Boston House, Fitzroy Square, on leasehold until January 2019.

**RESOLVED** – on recommendation of Finance Committee

84.2 **That the proposal to acquire Boston House be approved.**

**85 RNOH/STANMORE**

*Received*

85.1 APPENDIX C 4/69 (13-14) – a proposal to create a UCL/RNOH Bioengineering Hub in a new building constructed in partnership with the RNOH.

**RESOLVED** – on recommendation of Finance Committee

85.2 **That the proposal to construct a new building at the RNOH/Stanmore site be approved.**

86 **GRADUATE SCHOOL ANNUAL REPORT**

*Received*

86.1 APPENDIX C 4/70 (13-14) – the Graduate School’s annual report 2012/13.

**RESOLVED** – on recommendation of Academic Board

86.2 **That the Graduate School’s annual report be approved.**

87 **STUDENT COMPLAINTS PROCEDURE**

*Received*

87.1 APPENDIX C 4/71 (13-14) – a note to introduce the proposed UCL Student Complaints Procedure

**RESOLVED** – on recommendation of Academic Board

87.2 **That the UCL Student Complaints Procedure be approved.**

88 **CHAIR OF ACADEMIC COMMITTEE**

*Noted*

88.1 APPENDIX C 4/72 (13-14) – a note confirming that the Provost would take over as Chair of Academic Committee with effect from 1 April 2014.

89 **STUDENT DISCIPLINARY CODE AND PROCEDURE – INTERIM REPORT OF WORKING GROUP**

*Noted*

89.1 APPENDIX C 4/73 (13-14) – an interim report on the review of the Disciplinary Code and Procedure.

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

*Noted*

90.1 APPENDIX C 4/74 (13-14) – advising Council of the minimum tuition fee rates to be charged for UK/EU graduate programmes and all overseas students for the Academic Year 2015-16, as agreed by Finance Committee at its meeting on 11 March 2014.

- 90.2 This item appeared on the Council agenda for formal approval but requests had been received from two members of Council for the matter to be raised for discussion.

***Discussion***

- 90.3 Council was advised of a UCLU campaign calling for the introduction of fixed postgraduate and international student fees, set in advance for the duration of a student's course. A student member reported that the current system of annual inflationary increases was a source of anxiety for many students.
- 90.4 It was reported that options were being examined to address UCLU's concerns, although a move to fixed fees would bring with it additional costs and complexity. The attractions of a fixed fee level to overseas governments were noted. Council also noted the difficulty caused to international students by fluctuations in the exchange rate.
- 90.5 A Council member queried the application of inflation to student fees but not to staff salaries. The Provost noted that once the cost of promotions, increments and merit awards were taken into account, UCL's payroll costs were increasing by about 4% per annum, and that inflationary increases were not applied to most other major income streams.

**91 AWARDS AND HONOURS**

***Noted***

- 91.1 APPENDIX C 4/75 (13-14) – details of awards, appointments, elections and honours for the period October 2013 to February 2014, as reported to Academic Board on 26 February 2014.

**92 CHAIR'S ACTION ON BEHALF OF COUNCIL**

***Noted***

- 92.1 APPENDIX C 4/76 (13-14) – details of action taken by the Chair on behalf of Council since the previous update.

**93 DATE OF NEXT MEETING**

***Noted***

- 93.1 The next meeting of Council was scheduled for Tuesday 20 May at 4pm.

94     **VALETE**

***Reported***

- 94.1           Council recorded its gratitude to Tim Perry, who would be retiring from UCL on 31 March. The Chair paid tribute to his outstanding dedication, commitment and professionalism in over 20 years as Secretary to Council.

Nick McGhee  
Acting Secretary to Council  
April 2014