MINUTES OF THE PROCEEDINGS
at the
Third Meeting of the
COUNCIL
of the
IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Third Meeting of the Council was held in the Council Room, 170 Queen’s Gate at 10:00 a.m. on Friday, 23rd November 2007, when there were present:

The Lord Kerr of Kinlochard (Chairman), Professor D.K.H. Begg, Mrs. P. Couttie, Sir Peter Gershon, Dr. G.G. Gray, Ms. C. Griffiths, Dr. M.P. Knight, Professor Sir Peter Knight, Mr. J. Newsum, Mr. S. Newton, Ms. K. Owen, Professor R. Sinden, Professor S.K. Smith, the Baroness Wilcox and Professor J. Wood, together with the Clerk to the Court and Council.

Apologies: Mr. B. Gidoomal, the Rector and the President of the Imperial College Union.

In attendance: Ms. J.X. Garner of PricewaterhouseCoopers (for Minutes 32 - 43 only) and the Assistant Clerk to the Court and Council.

WELCOME

The Chairman said that Rector was currently visiting Malaysia and Singapore on College business and, exceptionally, was therefore unable to attend this Meeting of the Council. He then welcomed Mr. Stewart Newton, the Chairman of the College Fund Board, and Professor John Wood, the Principal of the Faculty of Engineering, to their first meeting of the Council as members. He also welcomed Dr. Rodney Eastwood to his first meeting of the Council in his new role as the Clerk to the Council.

MINUTES

Council – 14th September 2007

1. The Minutes of the Second Meeting of the Council, held on 14th September 2007, were taken as read, confirmed and signed.

MATTERS ARISING

2. Environmental Measures (Minute 3 refers).

   a. The Chairman reminded Governors that, at their July Meeting, they had discussed the measures being taken by the College to ensure that it addressed the increasing demands on UK businesses that they operate in an environmentally responsible and sustainable manner. The Council had acknowledged the action the College was taking, but had asked if it had a defined process for driving its environmental strategy forward. Although this
The issue had not been discussed at the last Meeting in September, the Council had received a presentation on it at its Away Day and this had led to further debate.

b. The Chief Operating Officer, Dr. Knight, said he understood members’ interest in this area and said that it was also a matter of considerable interest within the College. However, it had to be recognised that many of the College’s activities were very energy-intensive and a balance had to be struck between meeting environmental concerns and inhibiting the College's ability to carry out its research programme. To this end, the Directors of Building Projects and Facilities Management had recently given a presentation on environmental matters to Heads of Department/Division, which had been well received. It was clear from this that Heads appreciated the conflicting priorities in this area. However, given the range of the College’s activities, carbon-neutrality was unlikely to be a realistic aim for Imperial.

c. Dr. Knight went on to say that the HEFCE also appreciated the increased costs associated with conducting capital projects in an environmentally responsible manner. It had recently published a consultation document on a possible financing scheme to be introduced from 1 August 2008. Under this proposal universities would be able to apply for interest-free loans to fund ‘green’ capital projects. This initiative had been welcomed by the College and Dr. Knight said that Imperial would seek to take advantage of the scheme if it was introduced.

d. He went on to acknowledge the concern previously expressed by Council members over the lack of a transparent process for determining environmental strategy. The College had recognised this shortcoming and was establishing a committee with a specific remit to develop the College’s strategy on environmental matters and on sustainability. The Committee would be chaired by Professor David Gann, who held the Chair in Technology and Innovation Management in the Business School. Although yet to be finalised, its membership would include both internal and external members, including the President of the ICU; Professor David Fisk, the BP/Royal Academy of Engineering Chair in Engineering for Sustainable Development; the Director of Arups with responsibility for sustainability; and probably at least one Campus Dean. Dr. Knight confirmed that he would also be in attendance at the Committee’s meetings, as would the Directors of Building Projects and Facilities Management, and that it would provide the Council with an annual report of its activities.

e. Sir Peter Gershon asked if the College had applied for any grants from the Carbon Trust. Dr. Knight replied that it had; indeed, a Carbon Trust grant was enabling the College to complete its metering programme for all the buildings on the South Kensington Campus. This programme was vital if the College was to gain a better understanding of the environmental costs of its activities, and it had already shown that the Sir Alexander Fleming Building was the most expensive to run on the Campus.

f. Sir Peter Knight reminded members that the nature of the College’s lab-based disciplines meant that it was going to be much harder for Imperial than other universities to reduce its use of energy and that it would therefore suffer in any comparison with other institutions which had large arts and humanities faculties.
g. The Chairman thanked Dr. Knight for his Report and welcomed the establishment of the new Committee, which would provide the kind of transparent process for driving progress for which the Council had been looking.

RECTOR’S BUSINESS

Staff Matters (Paper A)

3. In the Rector’s absence the Chairman presented Paper A and asked the Council to note three items in particular. The first was the appointment of Professor Smith to the joint position of Principal of the Faculty of Medicine and Chief Executive Officer of the Imperial College Healthcare NHS Trust. The second was the appointment of the former Deputy Rector, Professor Sir Leszek Borysiewicz, as the Chief Executive of the Medical Research Council; this was, he said, an excellent appointment for Sir Leszek and he wished him well. Thirdly, Dr. Tidu Maini had also stepped down as the Pro-Rector for Development and Corporate Affairs to take up a position with the Qatar Foundation. The Chairman then said that Professor Dame Julia Higgins and Professor Rees Rawlings had both retired, although he was pleased that Dame Julia would still be contributing to the College as a Senior Research Investigator, while Professor Rawlings had been made an Emeritus Professor. Sir Leszek, Dr. Maini, Dame Julia and Professor Rawlings had all made significant contributions to the work of the Council, quite apart from all they had done for the College, and the Chairman asked that the Council’s gratitude to them be recorded. He also undertook to write to each of them to express the Council’s thanks.

Oral Report by the Rector

4. In the absence of the Rector, the Clerk took members through the Rector’s Report.

5. He reported that nearly 900 alumni and guests from all over the world had attended a weekend of events at Imperial from the 14-16 September 2007 in celebration of the College’s Centenary Year. He then reminded members that this year’s Commemoration Day on 24th October had been the first that Imperial had celebrated as an independent institution following its withdrawal from the University of London. The honorary graduates had included the Rt. Hon. Lord Browne of Madingley, Dr. J. Craig Venter and Dr. Lisbet Rausing. Professor Milija Pavlovic and Professor John Cosgrove had also been awarded Imperial College Teaching Fellowships at the Ceremony.

6. Moving on, he was pleased to report that Professor John Beddington had been appointed as the UK Government's Chief Scientific Advisor and would take up this position from 1st January 2008. Professor William Lee, the Head of the Department of Materials, had also been appointed to the Department for Environment, Food and Rural Affairs’ newly reconstituted committee on Radioactive Waste Management, which would scrutinise the Government’s and the Nuclear Decommissioning Authority’s plans for the long term management of radioactive waste. The Clerk then reported that Emeritus Professor Gareth Davies, whose association with Imperial had lasted some 70 years, had died on 3 September. His former students included Professor Sir Roy Anderson FRS, the Rector designate.

7. Turning to Imperial’s recent achievements and awards, the Clerk said that Imperial had climbed from ninth to fifth in the world league table of universities published by
the Times Higher Education Supplement (THES). Although such tables were unofficial, this was nevertheless a significant achievement for the College and all its staff in the Centenary Year. He also pointed out that all institutions in the THES Table were scored out of 100 and that Imperial had been only 0.1 behind Oxford, Cambridge and Yale, which had tied for second place. He went on to note that Emeritus Professor John Woods, from the Department of Earth Science and Engineering, had shared in the 2007 Nobel Peace Prize jointly awarded to the Intergovernmental Panel on Climate Change (IPCC) and former US Vice President Al Gore for their efforts to build up and disseminate greater knowledge about artificial climate change, and to lay foundations for the measures that are needed to counteract such change. Professor Woods had played a key role in the groundbreaking first IPCC Report as lead author of the crucial assessment of transient climate change due to greenhouse gases.

8. He was also pleased to report that, on 15 November, Professor Alan Fenwick, the Head of the Schistosomiasis Control Initiative (SCI), and his team had won a Queen's Anniversary Prize for their Programme. In just five years this had administered over 43 million treatments for schistosomiasis and soil-transmitted helminths in countries such as Niger and Burkina Faso, and they estimated that it had cured over 20 million people of these diseases during this time, although regular annual treatments are necessary to keep them free of re-infections. The SCI, which had been established in 2002 with a grant of $30M (£20M) from the Bill and Melinda Gates Foundation, was a unique programme. This was, he said, the fourth Queen's Anniversary Prize awarded to Imperial researchers.

9. Moving on to student achievements, the Clerk reported that in early November ten Imperial undergraduates had been awarded a gold medal for their entry in a prestigious international competition to create genetically engineered machines. The Imperial team, comprising students from Bioengineering and Biochemistry, together with four advisors and two professors, had travelled to MIT to present their Project to a panel of international judges at the International Genetically Engineered Machines (iGEM) Competition.

10. Turning to the College’s building projects, the Clerk confirmed that the Southside Hall of Residence had been completed on time and within budget and had opened its doors to over 400 freshers at the beginning of the academic year. Another project which had been successfully completed was the new teaching and learning centre in the RCS1 Building. It had been decided to call the Centre the Whiteley Suite after Martha Annie Whiteley, the first woman to hold a position on the teaching staff at the Royal College of Science (RCS). She had joined the RCS as a teaching scholar in the Chemistry Department in 1904, became an Assistant in 1905, a Demonstrator in 1908, a Lecturer in 1914 and Assistant Professor in 1920. She had been awarded the OBE in 1920 for her chemical work during the 1st World War. She had also been very supportive of all women at Imperial College, using her influence to obtain increased cloakroom facilities for women staff and students in 1910.

11. Moving on, the Clerk said that the Rector was currently visiting Malaysia and Singapore, where he would attend various events, including the Asia Convocation at which degrees would, for the first time, be awarded to Imperial students away from the Royal Albert Hall.
12. Next, the Clerk reported on the Prime Minister’s recent visit to the College. On 3rd October the Rector and Lord Darzi, Professor of Surgery and Parliamentary Under Secretary in the Department of Health, had taken the PM on a tour of the College’s newly launched Institute of Biomedical Engineering, where the PM had shown a particular interest in the College’s robotic surgery facility. The Clerk remarked that Lord Darzi had also, just that week, been in the news for saving a fellow member of the House of Lord’s life; when the member had collapsed in the Chamber during a debate on embryology, Lord Darzi had immediately gone to his aid and resuscitated him. Baroness Wilcox, who had been in the Chamber at the time, confirmed the Clerk’s report and said that Lord Darzi was being treated with even greater respect by all the Lords as a result.

13. The Clerk then advised members that the College was discussing the possible creation of an Imperial Shanghai University of Science and Technology, to be located in the Pudong Science Park in Shanghai; a Memorandum of Understanding was now being formulated with the Shanghai authorities. A more detailed report would be made to the Council before any agreements were signed. Members were clear that the proposals would provide considerable opportunities for the College, but would also carry certain risks; the College would need to ensure that both opportunities and threats were well understood before proceeding.

14. Drawing the Report to a close, the Clerk reminded members that the end of the month would see the submission deadline for the Research Assessment Exercise. Imperial’s submission was now nearly complete and represented the culmination of a two year long project, which would have considerable funding implications for the College. However, the results would not be announced until December 2008. On behalf of the Council, the Chairman thanked all those involved in preparing the College’s submission.

Oral Report by the Principal of the Faculty of Medicine

15. In his Report Professor Smith concentrated on developments with the Academic Health Sciences Centre (AHSC), which had come into being on 1st October with the creation of the Imperial College Healthcare NHS Trust. Following his own appointment as CEO, the Trust was quickly putting a new structure in place. A Managing Director and a Finance Director had been appointed and both would have a crucial role in running the new organisation. The structure of the Trust itself would be predicated on six Clinical Programme Groups, the Heads of which were currently being appointed. These Groups would provide the strategic and operational alignment of research, education and clinical services at delivery level that was a unique feature of the AHSC. It was likely that all of the Heads would be College staff, thus providing a further link with the Faculty and its research priorities. Good progress was being made on these appointments and Professor Smith said he expected that 90% of the Trust’s senior positions would have been filled by the end of the calendar year.

16. Overseeing all this, he said, would be the Trust Board, which had now been established, and the post-merger Steering Committee, which was developing a ten-year plan for the Trust. The end result of all this activity would be the creation of a healthcare operation that was aligned to the strategic scientific goals of the Faculty of Medicine. This would give it a unique position in this country.

17. Mrs. Couttie welcomed the progress being made in the establishment of the AHSC and asked how the NHS staff were reacting to this degree of change. Professor
Smith said there was considerable excitement in the Hospitals about these developments. The consultants wanted to work in a vibrant atmosphere in which cutting edge research was translated into excellent patient care; the creation of the AHSC would provide just that. The nursing and administrative staff felt the same sense of excitement, so at present morale was very good throughout the Hospitals.

Mrs. Couttie then asked Professor Smith about his views on the Bliss Project. Professor Smith explained that the MRC, the Wellcome Trust, Cancer Research UK and University College London were proposing to develop the British Library International Science Site (Bliss) at an estimated cost of £350M to create what would be the largest laboratory of its kind in the world, accommodating 1,500 researchers in different fields. However, the initiative was dependent on the success of a bid for a 3½ acre site near the British Library and St. Pancras Station, valued at at least £28M. There was some concern that the only academic institution involved in the scheme was UCL, since this would exclude Oxford, Cambridge and Imperial, all of which had first-rate medical research. It was felt that such a large commitment of public funds should be used to provide a world-class collaborative facility including the very best institutions - Imperial, Oxford, Cambridge, UCL and Kings College London. Having UCL as the only academic partner in such a large and strategically important undertaking could weaken the overall project and diminish the likelihood of its long-term success. The Council was then advised that the concerns that Professor Smith had voiced were shared across the sector.

Oral Report by the Principal of the Faculty of Engineering

Professor Wood said that he had just come from a meeting with representatives from the King Abdullah University of Science and Technology (KAUST). KAUST had offered five departments at leading universities around the world funding to help them to recruit faculty for KAUST and to develop curricula. Under this initiative staff would spend the first 2 years at Imperial and then help to set up the new Research Centres at KAUST. The scheme would last for 5 years in the first instance and his own discussions with KAUST centred on the development of a programme in Chemical Engineering.

Professor Wood went on to say that he had taken on management responsibility for the development of the South-East Quadrant (SEQ) of the South Kensington Campus, which would house most of the Faculty of Engineering in future. This had also allowed him to re-energise the EnVision Project, which was looking at new ways of teaching engineering. The SEQ Project required the Engineering Departments to reassess their workshop and teaching space requirements and this in turn was forcing them to review their methods of delivering engineering education in order to make them more appropriate for a 21st Century university. This was, he said, an exciting project for the Faculty and the College, and one that would have wide-ranging implications for both.

Concluding his Report, Professor Wood said that the Faculty was also reviewing a number of management issues in its Departments and Institutes. With regard to the latter, the Faculty was trying to develop a financial model that allowed them to work with staff across the Faculty and the College, but which still provided them with a degree of financial stability.
Professor Sir Peter Knight opened his Report on the Faculty of Natural Sciences by remarking that admissions to the Faculty had been particularly successful this year, with applicants having the highest average ‘A’ level scores ever. The number of applicants per place had also increased and this showed that, more than ever, the College was attracting the very best students. Indeed, he said, with the introduction of higher student fees, it appeared that students now wanted to go to the best universities to ensure they obtained value for money. Although there was an overall decline in the numbers of students applying to take science subjects at university, this appeared to be mainly at the lower end of the market with fewer poor students now taking science ‘A’ levels. The top end, however, was still healthy.

Moving on, Sir Peter said that the Grantham Institute for Climate Change had now opened and a new Director of Climate Change Policy, Dr Simon Buckle, had been recruited from the Foreign and Commonwealth Office. Sir Peter also expected to make a formal announcement shortly confirming the appointment of the Centre’s Director.

Of particular concern to the Faculty were the procedures being put in place by the Government for the security vetting of overseas research students. Sir Peter explained that students from certain countries intending to undertake research in particularly sensitive subjects, such as nuclear engineering, biotechnology and gene manipulation, had always had to be vetted by the Security Services before being allowed to pursue their research. However, the Government was now putting new, more stringent regulations in place. These would require an overseas applicant’s detailed research proposal to be scrutinised by the Security Services before an offer of a place could be made. Almost all of the subjects in Natural Sciences would be considered to be sensitive and he was concerned that the new procedure would be laborious and could have a deleterious effect on postgraduate recruitment. When the United States had introduced similarly stringent checks, overseas recruitment had declined significantly, largely because of the additional delays inherent in the new system.

The Chairman said that it would be unfortunate if the new arrangements prevented excellent students from coming to the College, not because they were considered to present a security risk, but because the delays in getting approval for their project proposals deterred them from coming to this country. The Clerk noted that the Government had also introduced new rules for students applying for visas. Applicants would in future have to name a specific institution, rather than simply citing ‘study’ as their reason for requesting a visa. If an applicant applying to a number of universities could only apply for a visa for each institution sequentially, this would inevitably lead to further delays. When taken together, these measures could have an impact on recruitment. The Clerk added that institutions would, in future, be required to report to the Home Office any overseas student who had been absent for more than 14 days. This would be difficult as universities did not generally keep registers of attendance.

The Chairman said that the visa issue was one that affected the whole of the higher education sector, which should therefore act collectively to make its concerns known to Government. The issue of security vetting, however, could have particularly serious consequences for Imperial. He asked Sir Peter to keep him informed of developments in this area.
27. Moving on, Sir Peter reminded members that the Faculty was developing its research in hydrodynamics and shock physics, in conjunction with the Faculty of Engineering. He said that discussions were nearing completion and he believed that all the outstanding issues had now been resolved. He hoped that it would be possible for work on this Project to start in the New Year.

28. Ending his Report, Sir Peter remarked on the recent Comprehensive Spending Review (CSR) and its impact on the Research Councils. The MRC had done reasonably well out of the CSR, but all of the other Research Councils had either had their funding cut or had received lower-than-inflation rises. The worst hit had been the EPSRC, which had suffered a 3% cut in funding. So serious was the situation that the Research Councils were having to review their programmes and were even considering cutting some for which funding had already been allocated. At the very least this would mean that there would be less money available from the Research Councils. The Chief Operating Officer, Dr. Knight, remarked that this underlined the importance for the College of diversifying its sources of research income to protect it from the vagaries of public spending decisions. Professor Wood agreed and said that it was also important for the College to concentrate on the larger, strategic projects, rather than submitting a large number of smaller applications for funding.

**Oral Report by the Principal of the Tanaka Business School**

29. Opening his Report, Professor Begg said that the Business School had been engaged in a busy recruiting campaign in advance of the RAE. He was pleased to say that it had achieved a 30% increase in its faculty and would be submitting 20% more staff in this RAE than had been submitted in the last Exercise in 2001.

30. He went on to say that the School had recently fulfilled a long standing ambition by launching a Healthcare Management Group. This would be led by Professor Carol Propper, who had recently joined the School from Bristol University where she had helped to found its Centre for Market and Public Organisation. Professor Propper was particularly interested in the impact of incentives on the quality of health care delivery and, more widely, on the design and consequences of incentives within the public sector and the boundary between the state and private markets. The addition of the Healthcare Group was a major addition to the School's portfolio and meant that it now interacted with all three Faculties, making it truly a business school that was worthy of carrying the Imperial College name.

31. Continuing, Professor Begg said that the launch of the new Rajiv Gandhi Centre for Innovation and Entrepreneurship would take place in Mumbai in December; he reminded members that the Centre would engage with UK and Indian industry, research institutions, business schools and governments to foster closer collaboration in research and the sharing of best practice in innovation management. The School was also developing its executive education programme, which was vitally important for the financial success of any business school. Prior to his own appointment the School had not had such a programme and, until recently, it had been struggling to enter this market. However, it had now started to offer companies a free three-hour master class to be delivered in the companies' own offices. These had been very well received and there was a very good chance that the companies which had taken advantage of this offer would now sign up for the School's executive education programme.
32. Before moving on to the rest of the Council’s business, the Chairman thanked all the Principals for their interesting reports. He then noted that the Rector had been very active on the fund-raising front of late and had secured some very generous commitments from donors. He suggested that, now that the Centenary Year was coming to an end, it would be appropriate for the Council to receive a report on the Centenary Campaign at its next Meeting.

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2007 (PAPER B)

33. Before the Council considered the Annual Report and Financial Statements, the Chairman invited Ms. Judy Garner from the External Auditors, PricewaterhouseCoopers, to join the Meeting and welcomed her to her first Meeting of the Council.

34. The Chief Operating Officer, Dr. Knight, presented Paper B. The College had, he said, decided to present a more professional and business-like Report this year and, to that end, the Finance Division had worked with the College’s Communications Division to prepare an Annual Report that concentrated on the College’s achievements in its Centenary Year. It was hoped that this would make the Report a far more useable and interesting document than the simple rehearsal of the College’s accounts that had constituted the Annual Report in previous years. Turning to the financial highlights, Dr. Knight said that total income had risen by 10 per cent to £556M, which in itself was outstanding. However, even more remarkable was the increase in research income to £230M, a rise of 12 per cent; moreover, this was a rise that was reflected across all the Faculties, and one that was not merely due to additional income from full economic cost (FEC) recovery from the Research Councils.

35. Members welcomed the additional information provided in the Annual Report and congratulated all those involved in its preparation and that of the Financial Statements.

THE REPRESENTATION LETTER (PAPER C)

36. Presenting Paper C, Dr. Knight remarked that this was a standard letter setting out the College’s formal representations to the External Auditors. It had been scrutinised by the Director of Finance, Mr. Andrew Murphy, and then considered by the Audit Committee which had recommended it for approval by the Council. Mr. Newsum noted that it conformed to a set format and that it had already been thoroughly scrutinised, but asked if the Council could, in future, also receive a note detailing any changes since the previous year’s letter. This was agreed.

Resolved: That the Representation Letter, as set out at Annex A to Paper C, be approved.

THE ANNUAL REPORT FROM THE AUDIT COMMITTEE (PAPER D)

37. Before presenting Paper D, the Chairman of the Audit Committee, Dr. Gray, invited Ms. Garner to comment on the audit process and the External Auditors’ relationship with the College and with the Audit Committee. Ms. Garner confirmed that the Audit
had been conducted very smoothly and that the External Auditors had developed a
good working relationship with the College’s Finance Division. As expected, they had
been able to give the College an unqualified Audit Report. The External Auditors
also had a good relationship with the College’s Audit Committee. In line with best
practice, the Auditors had had a private meeting with the Committee at which any
concerns could be raised confidentially and, Ms. Garner said, the questions posed by
the members were both pertinent and astute. The full meetings of the Committee
were conducted openly and, again, discussions were pertinent. She was comfortable
that the Committee was fulfilling its remit on behalf of the Council and maintaining
high standards in comparison with the audit committees at other institutions she had
audited.

38. Dr. Gray then introduced Paper D. He said that, based on the reports it had received
from the Internal and External Auditors, the Audit Committee was satisfied that the
College’s financial and other controls were working satisfactorily. The External
Auditors had confirmed that the Audit had been handled very smoothly and, although
they had identified some minor accounting and auditing issues, none of these were
considered to be serious; they had therefore given the College’s Accounts a clean bill
of health. The only issue of note during the Audit was the treatment of the
engineering software licence, which had been discussed at the previous Meeting of
the Council. The Audit Committee was satisfied that the decision not to include this
licence in this year’s accounts was, in the end, the correct one. The Committee
could therefore commend the Financial Statements to the Council for formal
approval.

39. Moving on, Dr. Gray said that the Committee had also reviewed detailed reports on
the College’s annual reviews of Risk Management and Value for Money (VfM). On
the basis of these Reports, the Audit Committee could confirm that the College’s Risk
Management Policy and associated procedures had been implemented effectively
and that appropriate management systems were in place for the evaluation and
monitoring of the College’s VfM strategy.

40. Dr. Gray went on to remind members that in 2006 the Audit Committee had
commissioned external consultants, Health & Safety Technology and Management
Limited (HASTAM), to conduct a review of the management of health and safety at
Imperial. The College had accepted the recommendations of that Review and had
spent the last year developing a new Safety Management System (SMS) in line with
Health and Safety Executive guidelines. This year HASTAM had been invited back
to review the College’s progress. They had reported that the College had made very
good progress and now had a well-documented system. Their Report emphasised
that it was now time to implement the new System and the Committee had been
assured that this process had already started. Implementing the new system and
achieving the necessary improvements in the College’s safety culture would be
challenging, but, Dr. Gray said, Imperial had made very good progress to date. The
College had also committed to commissioning further annual external reviews of
health and safety for the next few years and the Audit Committee was satisfied both
that Imperial was fulfilling its legal obligations and that there was a clear commitment
to providing continuous improvements in the management of health and safety
across the College. Concluding his Report, Dr. Gray said that the Audit Committee
was therefore able to give Governors the necessary assurances that the Council’s
responsibilities had been satisfactorily discharged.

41. Ms. Griffiths cautioned that the Committee could not say categorically that the
College was meeting its legal obligations, only that there was no evidence to suggest
that it was not. The HASTAM Report had concentrated on the progress that had
been made thus far and on making some fairly high-level recommendations on implementation. When it came to providing concrete advice for the College as it moved forward, she felt the Report was less helpful. She suggested that the external reports to be commissioned in future years might have a different focus, perhaps concentrating more on how the College’s procedures were being implemented and on offering more practical advice, as well as bench-marking against best practice elsewhere. Following the discussion at the Audit Committee Meeting, she felt that it would be useful for her to discuss the College’s risk assessment procedures in more detail with the responsible College officers, as robust risk assessment was the basis of any successful safety management system. To this end, a meeting had been arranged for her with the Chief Operating Officer, Dr. Knight, the College’s new Safety Champion, Professor Wood, and the Director of Risk Management, Mr. David Forbes, who had operational responsibility for the Safety Department. She undertook to report back to the Council on her findings.

42. The Chairman said that it appeared from the Audit Committee’s Report that the College had done well to establish what form the new SMS should take, but that the priority now was to implement it. Dr. Knight confirmed this and said that the College had a very good reactive system in place, but needed to ensure that staff training and the more proactive elements were brought up to the same standard. Professor Wood agreed and acknowledged that the change in culture being sought was a challenging target for the College.

43. Professor Sinden said that he believed that there had already been a significant change in the College’s safety culture in the last few years and that the general understanding of the importance of safe working was much improved. However, too often safety requirements were seen by staff as unhelpful. He suggested that a change in attitude was needed so that the safety professionals helped academics to work in better ways, rather than acting as policemen. Mr. Newsum said that, although there was a clear commitment to safety at the top of the College, in his experience change only happened when this degree of commitment was articulated at all levels in the organisation.

44. Ms. Griffiths added that the College also needed to ensure that the lessons from any incidents and near misses were learned and were promulgated widely. In her view the way an organisation reacted to accidents and near-misses provided a clear indicator of its safety culture. Her experience in the rail industry showed that a ‘no-blame’ policy was helpful in ensuring that any lessons to be learned from accidents were identified and promulgated; treating such incidents simply as disciplinary issues would only result in reduced reporting. She felt that, as the College moved forward, it should seek to learn, not just from its own experiences, but also from those of other institutions through bench-marking and the sharing of information. The Clerk then reminded members that the College’s Health and Safety Management Committee included external members from Cambridge University and Anglo-American, who both brought relevant experience from outside the College.

45. Bringing the discussion to a close, the Chairman said that health and safety was a very important area for the Council and he looked forward to future reports on progress. He ended by suggesting that, given Ms. Griffiths’ earlier comments on the need for differently-focused reviews in the future, the College should consider whether to change the external consultants for the next annual review of safety management.

Resolved: That the Financial Statements for the year ended 31 July 2007 be adopted.
SUMMARY RISK REGISTER (PAPER E)

46. The Clerk introduced Paper E and reminded members that, although the College had had a Risk Register since 2002, which was scrutinised in detail by the Audit Committee each year, this was the first time that the Summary Risk Register had been presented to the Council. Turning to the Register itself, the Clerk noted that the Management Board had decided to add an additional risk this year relating to the AHSC.

47. Ms. Griffith said she appreciated that the Summary Register was, of necessity, much less detailed than the overall Register. However, she suggested that Risk 17, that the College might fail to respond adequately to changing Health and Safety and other similar legislation, should not be restricted to changing legislation, but rather should include current legislative requirements as well. The Chairman similarly suggested that the assignment of some of the senior management responsibilities appeared to be incorrect as the Rector should be responsible for the recruitment, retention, motivation and development of the staff.

48. Sir Peter Gershon also questioned why none of the risks appeared to cover business continuity, while Mr. Newsum asked whether the risk of unauthorised access to College systems had been considered for inclusion in the Register. Although he acknowledged that it was difficult to show in a summary document, he also wondered which of these risks were considered to be short-term risks and which longer-term as this would affect the kinds of mitigating action that might be appropriate. Mr. Newton asked if any consideration had been given to the interconnectivity of particular risks. For example, he said, an individual risk might not be considered to be particularly serious in itself, but its knock-on effect on the other College risks could make it potentially much more serious than originally thought.

49. Picking up on Sir Peter Gershon’s query, the Clerk confirmed that the Risk Register included disaster recovery and business continuity as specific risks requiring mitigating action. Dr. Knight agreed, saying that the College took disaster recovery very seriously; it had a Disaster Recovery Plan and had, in recent years, held a number of practice exercises to test the resilience of its Recovery Plan. This was now the responsibility of the Director of Risk Management, who had recently been running similar test exercises for the Reactor Centre. As a result the Centre had just passed its test emergency exercise with the Nuclear Installations Inspectorate (NII), having failed on two previous occasions.

50. The Chairman reminded members that the Summary was a high-level document behind which sat a much more detailed Risk Register. He thought it was right that the scrutiny of the more detailed document should be left to the Management Board and the Audit Committee; however, members’ comments would no doubt be helpful to both those Committees when next they reviewed the overarching Risk Register. The Chairman thanked the Clerk for presenting the Paper and looked forward to receiving a revised Summary next year.

FINANCE MANAGEMENT REPORT (PAPER F)

51. Introducing Paper F, the Chief Operating Officer, Dr. Martin Knight, said that the first quarter’s performance had been very good and was ahead of budget. Research income was progressing well and, even more pleasingly, the contribution to overheads was ahead of last year and above budget as well. This was largely a result of the additional FEC income now coming in from research council grants,
particularly in the Faculty of Engineering. As was noted in the Paper, the sale of 47, Prince's Gate had finally taken place in early August and would now be included in this year's accounts. This would inevitably improve the financial outturn at the end of the year. The College's debtor book was also much better than last year. In the main he attributed this to the decision to move responsibility for the collection of student fees from the Registry to Finance, with the result that student fees were now being paid much more promptly.

52. Moving on, Dr. Knight said that the College's payments-in-advance for research projects had increased to £92M. A detailed analysis of these figures by the Finance Division had shown that this was a reflection of the changing proportion of funding the College was now receiving from charities, the biggest single component being the grant from the Bill and Melinda Gates Foundation for the Schistosomiasis Programme. All of this meant that the College now had a very favourable cash position. Furthermore, the current credit squeeze meant that the College was now obtaining a higher interest rate on its cash holdings (6.2%) than it was paying in interest on its borrowings (5.4%).

53. Dr. Knight ended his Report by saying that the Finance Division had recently carried out its annual review of the sources of College income. This showed that the amount from public funds was still less than 50%. Consequently, the College was not obliged to follow OJEU tendering procedures, although it did so when this was considered appropriate.

54. Mrs. Couttie noted that the Support Services' cost base had increased by 13%. She asked if there were particular reasons for this. Dr. Knight replied that a number of costs had increased by more than the rate of inflation, in particular, utility costs, which were heavy for the College. Also some of the administrative departments which had previously reported to the Rector or the College Secretary, such as the Project Management Office and the Safety Department, had transferred to Support Services from 1 August. Finally, the increasing size of the College was inevitably leading to an increase in support costs. For example, the Burlington Danes Building was a completely new facility that had to be maintained and run. However, he confirmed that this increase in Support Services costs had been planned and budgeted for and so was sustainable.

55. Sir Peter Gershon asked why the sale of 47, Prince's Gate had not been noted as a post-balance sheet event in the Financial Statements for 2006-07. Dr. Knight said the question would have to be addressed to the Auditors, but it was possible that they had concluded it was not a significant enough event.

56. Dr. Knight then gave a brief report on the performance of the College's investments in the period to 31 July 2007. Over the year the total return achieved had been 12.5%, comfortably outperforming both the 4% total real return target of 7.3% and the return of 5.1% from cash over the same period. This was the third year in a row that the College's investments had exceeded the target returns. However, he cautioned that current market conditions made a similar performance in the present year very unlikely.

COLLEGE FUND REPORT (PAPER G)

57. Before presenting Paper G, the Chairman of the College Fund Board, Mr. Newton, reminded members that the Board had been asked to resolve Governors' concerns over its power potentially to give unlimited guarantees on behalf of the College. The
Board was still discussing this with the Chief Operating Officer, but he expected to be able to provide a full report on the solution at the Council’s next Meeting in March 2008.

58. Turning to Paper G, Mr. Newton said that the establishment of the College Fund was very important for the long-term health of the College and he believed that what Imperial had already achieved in this area with relatively few resources was quite remarkable. He then highlighted the decision to split the assets assigned to the College Fund into two distinct portfolios to ensure that the investment structure reflected the very different types of assets, those which were liquid and those with strategic restrictions or which were immature. The Unitised Scheme would contain the liquid assets and would make a regular annual distribution to Unit Holders, calculated on 4.5% of the average value of the Units over the previous five years. The strategic and/or immature assets would be held in the Special Circumstances Portfolio. These assets would be managed with a pure investment focus. Property assets in the development stage would be reviewed once their development was complete with a view to disposal or transfer to the Unitised Scheme at the discretion of the College Fund Board. This split was sensible because it would be very difficult to place accurate valuations on the immature assets then to monitor their performance with the degree of certainty necessary for the Unitised Scheme. It was therefore prudent to develop these assets within the Special Circumstances Portfolio where the risk and volatility associated with the assets could be managed without undermining the success of the Unitised Scheme.

59. The Chairman asked whether Unit Holders would be allowed to defer their annual contributions and instead use these to build up their units. Mr. Newton confirmed that they would be able to do so, saying that the Unitised Scheme would operate like an ordinary unit trust fund.

60. Professor Begg said that he recognised the reasons for establishing two schemes within the Fund in order to ensure a reasonable return for Unit Holders. However, as the College Fund Board had an overall investment objective to achieve, there was a risk that it might propose a reduced target for the Unitised Scheme in order to counteract any volatility in the Special Circumstances Portfolio. He asked how the targets for the two Schemes would be connected and how the overall investment objective would be maintained. Mr. Newton replied that the investment objective was set by Council rather than the College Fund Board and that this would protect against the latter setting too conservative a target; the Board would have to seek the Council’s approval for any change. Dr. Knight agreed and also noted that the chosen structure reflected the immaturity of the Fund. He suspected that it would take at least two years for the Fund to reach a mature state.

61. Mr. Newton then reminded the Council that at its last Meeting it had agreed that a third external member of the College Fund Board should be appointed as soon as possible. He was therefore pleased to propose the Hon. Robert Rayne for appointment to the Board.

Resolved: That the Hon. Robert Rayne be appointed as an external member of the College Fund Board.

62. Turning to the management of the Fund, Mr. Newton said he was not, and could not be, responsible for its day-to-day operation. His role and that of the Board was to look at strategy; but he had been impressed with the Fund’s CEO, Mr. Anderson, and he believed that, over time, the Fund’s investment objective of 4% was realistic and achievable. He cautioned, though, that there would be some years in which the Fund
would not achieve this and, given the current state of the market, it was likely that the present year would be a difficult one. In his view, the stress in the capital markets would continue for some time; this would affect both the national economy and Government finance for some time to come. That the College was in good financial health now would stand it in good stead in the relatively hard times ahead.

63. Ending his Report, Mr. Newton said that it was important that the Unit Holders had confidence in how their funds were being managed by the Fund. Accordingly, he suggested that, if the Fund decided to increase its investments in Imperial Innovations in the future, this should be done in consultation with the Unit Holders to ensure that they were comfortable with the Unitised Scheme being used in this way.

64. Mr. Newsum asked if there were any unit holders who were external to the College. Mr. Newton said that there were none, but that this might change in the future; it was possible to envisage a time when charities funding research at the College might choose to have their grant money held in the Fund. There was also an increasing expectation that universities would be given Government funds to secure their futures and be made responsible for managing these. Dr. Knight reminded the Council that there were several academics who had built up substantial trust funds to support their research. He hoped that in time these would also be invested in the College Fund.

65. Mr. Newsum said that he agreed with the decision to have two Schemes within the Fund, although he recognised that asset allocation would present problems. Mr. Newton responded that, as properties were developed and matured, their allocation within the Fund would have to be reviewed. These properties would either be realised or reallocated within the Fund. Drawing the discussion to a close, the Chairman reminded members that the Council had deliberately established the College Fund Board to be independent of College management with the link back to the Council being the Chairman of the Fund. He thanked Mr. Newton for his first Report and looked forward to future reports from the College Fund Board.

FELLOWSHIPS, HONORARY DEGREES AND ASSOCIATESHIPS (PAPER H)

66. The Clerk presented Paper H and reminded members that, now that the College was independent of the University of London, it was able to award its own honorary degrees in addition to offering Fellowships and Associateships. When considering this year’s nominations, the Management Board had agreed that honorary degrees should normally be conferred on persons of conspicuous merit, who were outstanding in their field, while the Fellowship of the College should normally be conferred in recognition of a person’s outstanding contribution to the College. As there was a clear distinction between the two awards, the Board had recommended that the prohibition on Fellows also receiving honorary degrees should be lifted.

Resolved: (i) That Paragraph 5 of Ordinance B2 be removed, as set out in Paper H.

(ii) That the recommendations for the conferment of Honorary Degrees, Fellowship and Associateships of the College, as set out in Paper H, be approved.
REMUNERATION COMMITTEE’S ANNUAL REPORT (PAPER I)

67. The Chairman presented Paper I and said that one area of concern for the Committee was the gender balance of senior non-academic managers and their pay relativities. This issue had also already been identified and was being addressed by the College. Apart from this, the Committee had recognised that local pay bargaining had edged salary levels at Imperial ahead of the rest of the sector, albeit by a modest margin, and it had agreed that the College’s flexible approach to remuneration was appropriate for the College’s requirements.

MAJOR BUILDING PROJECTS REPORT (PAPER J)

68. Dr. Knight presented Paper J, saying that a number of large projects had recently been successfully completed, most notably the Southside Hall of Residence, which had been completed on time and £3M under budget. The newly opened Hall was, he said, a marvellous facility and a considerable improvement on its predecessor. The Medical and Dental Practices, which had just moved in, were extremely pleased with their new premises. At the same time, the demolition of Linstead Hall on the East side of Prince’s Gardens had been completed some two weeks ahead of schedule. Given the difficulties that had been experienced with the demolition of the original Southside Hall, this was excellent news, although he suspected that some of this additional time would be lost over the Christmas break.

69. There were several other projects nearing completion, Dr. Knight continued. A major part of the Sherfield Refurbishment Project was the filling in of the light wells on the third and fourth floors of the Building, which would provide a large amount of extra space. These floors would now be used to provide a home for all of the College’s student-facing activities, notably the Registry, Student Residences, Occupational Health and the Finance Cash office. Regrettably, the Library Project had not fared so well. As members would recall, there had been problems in obtaining planning permission and it had also experienced further delays as a result of the discovery of the original foundations for the former Imperial Institute Building. The Project was now having problems with the expected noise from air-conditioning within the refurbished accommodation. As a result of all this, it was likely that the completion of this phase of the Project would be delayed until Spring 2008, with an expected overspend of £100 - £200K.

70. Finally, Dr. Knight advised the Council that two major projects were in the planning phase, L and J Blocks at the Hammersmith Campus and the SEQ Project at the South Kensington Campus. A presentation on the L and J Block Project would be made at the next Council Meeting when approval to proceed would be sought. An update on the SEQ Project would also be provided for the Council at its next Meeting, although he did not expect to seek final approval to proceed until the July Meeting.

71. The Chairman thanked Dr. Knight for his Report and advised the Council that, as a result of timing issues, he had had to approve a number of projects by Chairman’s action. These were the Commonwealth Building Project, the Wolfson Education Centre Project, the Burlington Danes Fit-Out Project and the Royal School of Mines Projects. He asked members to confirm that they were content with these approvals, which they did. The Chairman reminded members that the threshold for Council approval for projects was currently £5M. When set against the context of a capital programme that was currently running at about £100M per annum, he suggested that this threshold was too low. In his view, the Council needed to be kept informed of
progress with the College’s major projects and needed to approve the larger ones, but the requirement to seek Council or Chairman’s approval for a raft of small to medium sized projects was not necessary. He therefore asked the Clerk and Dr. Knight to consider this point and to come back to the Council with firm proposals at its next Meeting.

72. Baroness Wilcox remarked that it was difficult to understand how all of these projects fitted together and what impact they would have on the College’s campuses without seeing some form of visual representation, either in the form of presentations or models. She asked if the Council could be provided with such a presentation at a future meeting. She then said that the College required a lot of its students and could sometimes present a rather over-powering impression on visitors. She asked how the College met the aesthetic as well as the academic needs of its community. Sir Peter Knight said that much of the building work around the South Kensington Campus was making it a more pleasant place to work and study. The Faculty Building was greatly admired as a piece of architecture and the recent improvements to the Upper Dalby Court area had transformed a previously dull walkway into a vibrant and pleasant hub of activity, a transformation, moreover, that had been achieved for very little real outlay. He reminded the Council that the College had a long-standing agreement with the Royal College of Art to display a large piece of sculpture on the Campus, although it had been unable to do so in recent years because of all the building works. Dr. Knight agreed and said that, when the Eastside Project was completed, the College would have restored Prince’s Gardens to its rightful status as one of the great squares in London. The Sports Centre on the North side of the Square and the Southside and Eastside Halls were all very well-designed buildings which were considerably more aesthetically pleasing than those they had replaced. Lord Kerr added that the College’s building programme was trying to provide buildings that were both functional for the science they contained and architecturally interesting. However, he felt that much of this excellent design was largely hidden from the outside world and that the College should make more of it.

SENATE REPORT (PAPER K)

73. The Chairman presented Paper K, which was received for information.

EQUAL OPPORTUNITIES AND DIVERSITY COMMITTEE’S ANNUAL REPORT (PAPER L)

74. The Chairman of the Equal Opportunities and Diversity Committee, Professor Begg, presented Paper L and said that this was the fourth Annual Report from his Committee. It showed that the College was making steady progress and it was heartening that the show-piece lectures, which in previous years been poorly attended, had this year had full houses. This was in part a reflection on the two excellent speakers, Mr. Trevor Phillips and Professor Dame Julia Higgins, but it also showed that the College community was now engaging with the diversity agenda to a much greater extent. These two lectures had been a real highlight and he hoped that this degree of excellence would be maintained in future years.

75. Continuing, Professor Begg said that the issue now for the College was how much resource it could devote to supporting increased diversity. At one end of the spectrum of possible actions lay simple compliance, where the College would do the minimum necessary to comply with the law. The other end would involve a real effort
to achieve a significant change in culture within a short space of time. In his own view Imperial was somewhere between these two extremes; it was making incremental progress, but did not currently have the resources to raise this to a higher level. In particular, the College collected a lot of data, but was not able to undertake the kind of in-depth analysis of this information that would help it to shape its strategy. The Management Board had, he said, decided to maintain the current incremental approach, a decision with which he fully agreed.

76. Ms. Owen thanked Professor Begg for his Report and said that staff in the diversity area should be congratulated. It was clear that good progress was being made and that their work was valued. Noting that the College’s main risk identified in its Risk Register was the recruitment and retention of good staff, she asked whether the College used progress in the diversity area to mitigate this risk. Professor Begg replied that the College currently did a lot of work on academic promotions to encourage diversity and to ensure that female academic staff were not disadvantaged or deterred from applying for promotion. He acknowledged that more could probably be done in the Support Services area, but he said that, for him, the real area of potential risk was the relationship between research students and their supervisors. The College was well aware of the risks here and monitored them closely. Turning to the retention of excellent staff, he said that, as it entered the RAE, the College had managed to retain most, if not all, of its star academics, while also attracting many others from other universities. This was, he said, a good indication that this particular risk was being well managed.

77. The Chairman welcomed the Report and said that diversity was very important for the College. Good progress was being made, but this needed to be maintained. He then asked what the atmosphere was like for Moslem students at the College, particularly given the degree of pressure being placed on them in the press and elsewhere. The Clerk reminded members that the Islamic Society had previously had concerns about the Prayer Room and also its ability to book rooms for Friday Prayers. However, these had largely been resolved and his only recent contact with the Society had been a request from them to hold a charitable fund-raising event.

**CLERK’S BUSINESS**

**Proposed Amendments to College Ordinances (Paper M)**

78. Presenting Paper M, the Clerk said that the proposed amendments to Ordinance A7 were straightforward and were required to reflect the change in status of the Humanities Programme, which was now the Department of Humanities, to remove the term "permanent" from the definition of the academic and non-academic staff entitled to take part in elections to the Court, and to remove the term "temporary lecturers", which was no longer applicable within the College.

Resolved: That the amendments to Paragraph 6 of Ordinance A7, as set out in Paper M, be approved.
 Dates for Future Meetings (Paper N)

79. Before Paper N was presented, the Chairman said that he was concerned that the schedule of Council Meetings was not quite right. In particular, he believed that having just one meeting of the Council between November and July was presenting it with certain logistical difficulties; for example, he was increasingly having to take Chairman’s action in the period between meetings because it was not feasible to wait for a decision until the next scheduled meeting. He suggested that, instead of a meeting in March, it would be preferable for the Council to meet in February and then again in May. He recognised that it would be difficult to arrange this change immediately, so he asked the Clerk to review the schedule of meetings and come forward with proposals for a move to a five meeting per annum schedule from 2009-10 onwards. In the meantime, he asked members to note the dates for meetings in 2008-09, which they had already approved.

NEXT MEETING

80. The Clerk reminded members that the Council’s next Meeting would be on Friday, 14th March 2008 and that it would be followed by the annual Meeting of the Court.
PRO-RECTOR FOR EDUCATION

Professor Julia BUCKINGHAM, previously Head of the Division of Neuroscience and Mental Health, has been appointed Pro-Rector for Education with effect from 1 October 2007.

PRO-RECTOR FOR COMMERCIAL AFFAIRS

Professor Nagy A HABIB, previously Head of the Department of Biosurgery and Surgical Oncology and Director of the Liver, Pancreatic and Biliary Service at Imperial College Healthcare NHS Trust, has been appointed Pro-Rector for Commercial Affairs with effect from 1 November 2007.

PRINCIPAL OF THE FACULTY OF MEDICINE AND CHIEF EXECUTIVE OF THE IMPERIAL COLLEGE HEALTHCARE NHS TRUST

Professor Stephen SMITH, previously Principal of the Faculty of Medicine, has been appointed to the joint position of Principal of the Faculty of Medicine and Chief Executive of the Imperial College Healthcare NHS Trust with effect from 1 October 2007.

HEAD OF THE DEPARTMENT OF HUMANITIES

Dr Nick RUSSELL, previously Director of the Humanities Programme and the Science Communication Group, has been appointed Head of the new Department of Humanities with effect from the 1st October 2007.

HEAD OF THE DIVISION OF NEUROSCIENCE AND MENTAL HEALTH

Professor Lefkos MIDDLETON, previously Honorary Professorial Research Fellow, in the Department of Clinical Neurosciences, Division of Neuroscience and Mental Health, and formerly Vice-President and Head of Translational Medicine and Genetics at GlaxoSmithKline Research and Development, has been appointed to the post of Chair in Clinical Neurology and Head of the Division of Neuroscience and Mental Health, in the Faculty of Medicine, with effect from 1 October 2007.

DIRECTOR OF LIBRARY SERVICES

Mrs Deborah SHORLEY, previously Head of the Library Service at the University of Sussex, has been appointed Director of Library Services with effect from 15 October 2007 in succession to Ms Clare Jenkins.
**PROFESSORS**

**Professor Chris CHAPMAN**, previously Professor of Accounting at the University of Oxford, has been appointed to the post of Chair in Accounting in the Tanaka Business School with effect from 1 November 2007.

**Professor Gary Steven FROST**, currently Professor of Nutrition and Dietetics in the School of Biomedical and Molecular Sciences at the University of Surrey, has been appointed to the post of Chair in Nutrition and Dietetics, Division of Investigative Science, in the Faculty of Medicine, with effect from 1 January 2008.

**Dr Azra Catherine Hilary GHANI**, previously Reader in Infectious Disease Modelling in the Department of Epidemiology and Population Health at the London School of Hygiene and Tropical Medicine, has been appointed to the post of Chair in Infectious Disease Epidemiology, Division of Epidemiology, Public Health and Primary Care, in the Faculty of Medicine, with effect from 1 November 2007.

**Dr Iain Alexander MCCULLOCH**, previously Technology Platform Manager and Senior Project Manager in Organic Electronics at Merck Chemicals, Southampton, has been appointed to the post of Chair in Polymer Materials, Department of Chemistry, in the Faculty of Natural Sciences, with effect from 29 October 2007.

**Dr Petra PEETERS**, previously Associate Professor of Clinical Epidemiology at the Julius Centre, University Medical Centre of Utrecht in the Netherlands, has been appointed to the post of Chair in Chronic Diseases Epidemiology, Department of Epidemiology and Public Health, Division of Epidemiology, Public Health and Primary Care, in the Faculty of Medicine, with effect from 1 October 2007.

**Professor Carol PROPPER**, previously Professor of Economics of Public Policy at the University of Bristol, has been appointed to the post of Chair in Economics in the Tanaka Business School with effect from 1 October 2007.

**Dr Arthur SCHATZKIN**, previously Chief of the Nutritional Epidemiology Branch of the Epidemiology and Biostatistics Program, in the Division of Cancer Epidemiology and Genetics, at the National Cancer Institute, National Institute of Health, Bethesda, Maryland, USA, has been appointed to the post of Chair in Nutritional Epidemiology, Department of Epidemiology and Public Health, Division of Epidemiology, Public Health and Primary Care, in the Faculty of Medicine, with effect from 1 October 2007.

**Professor Henning WALCZAK**, formerly Head of the Research Group "Apoptosis Regulation" at the Tumour Immunology Programme of the German Cancer Research Centre (DKFZ), has been appointed to the post of Chair in Tumour Immunology (Non-Clinical), Division of Medicine, in the Faculty of Medicine, with effect from 1 October 2007.

**READERS**

**Dr Margaret ASHCROFT**, previously Group Leader in Cell Growth Regulation and Angiogenesis Group in the Cancer Research UK Centre for Cancer Therapeutics at The Institute of Cancer Research, has been appointed as Reader in Cancer Biology (Non-Clinical), Division of Medicine, in the Faculty of Medicine, with effect from 20 October 2007.

**Dr Francois BALLOUX**, currently Lecturer in the Department of Genetics at the University of Cambridge, has been appointed as Reader in Infectious Disease Epidemiology in the MRC Centre for Outbreak Analysis and Modelling, Department of Infectious Disease
Epidemiology, Division of Epidemiology, Public Health and Primary Care, in the Faculty of Medicine, with effect from 1 December 2007.

Dr Dominique MICHAUD, previously Assistant Professor in the Department of Epidemiology, at Harvard University School of Public Health, USA, has been appointed as Reader in Cancer Epidemiology, Department of Epidemiology and Public Health, Division of Epidemiology, Public Health and Primary Care, in the Faculty of Medicine, with effect from 1 October 2007.

Dr Vincent SAVOLAINEN, previously Deputy/Acting Head of the Molecular Systematics Section and Plant Molecular Systematist at the Jodrell Laboratory, Royal Botanic Gardens, Kew, has been appointed as Reader in Ecology and Evolutionary Biology, Division of Biology, in the Faculty of Natural Sciences, with effect from 1 October 2007.

Dr Carsten SCHMIDT-WEBER, previously Head of Department at the Swiss Institute of Allergy and Asthma Research, Switzerland, has been appointed as Reader in Allergy and Clinical Immunology, NHLI, in the Faculty of Medicine, with effect from 1 October 2007.

CHANGE OF TITLE

Professor C Ross ETHIER, Head of Department of Bioengineering, has had his title changed from Professor of Bioengineering to Professor of Biomechanics to reflect his current and future academic duties with effect from 24 October 2007.

Professor R KRAMS, previously Professor of Bioengineering, has had his title changed to Professor of Molecular Bioengineering to reflect his current and future academic duties with effect from 24 October 2007.

CONFERMENT OF TITLE - PROFESSOR

The following have been conferred the title of Professor with effect from 1 October 2007:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Department / Division</th>
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<tbody>
<tr>
<td>Timothy Coulson</td>
<td>Professor in Population Biology</td>
<td>Biology</td>
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<tr>
<td>Eleanor Milner-Gulland</td>
<td>Professor in Conservation Science</td>
<td>Biology</td>
</tr>
<tr>
<td>Donald Quicke</td>
<td>Professor of Systematics</td>
<td>Biology</td>
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<tr>
<td>Tommasso Valletti</td>
<td>Professor of Economics</td>
<td>Business School</td>
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<tr>
<td>Stephen Curry</td>
<td>Professor of Structural Biology</td>
<td>Cell &amp; Molecular Biology</td>
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<td>Neil Fairweather</td>
<td>Professor of Microbiology</td>
<td>Cell &amp; Molecular Biology</td>
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<tr>
<td>Li Kang</td>
<td>Professor in Chemical Engineering</td>
<td>Chemical Engineering</td>
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<tr>
<td>Omar Matar</td>
<td>Professor of Fluid Mechanics</td>
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<tr>
<td>Luis Aragon</td>
<td>Professor in Genetics</td>
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<td>Vasso Episkopou</td>
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<tr>
<td>Carol Shoulders</td>
<td>Professor in Lipid Biology</td>
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<tr>
<td>Matthew Coop</td>
<td>Professor of Experimental Soil Mechanics</td>
<td>Civil and Environmental Engineering</td>
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<tr>
<td>Washington Ochieng</td>
<td>Professor in Positioning &amp; Navigation Systems</td>
<td>Civil and Environmental Engineering</td>
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<tr>
<td>Sophia Drossopoulou</td>
<td>Professor of Programming Languages</td>
<td>Computing</td>
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<td>Paul Kelly</td>
<td>Professor of Software Technology</td>
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<td>Mark Enright</td>
<td>Professor in Molecular Epidemiology</td>
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<td>Karim Meenan</td>
<td>Professor of Endocrinology</td>
<td>Investigative Science</td>
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<tr>
<td>Shrianee Sriskandan</td>
<td>Professor of Infectious Diseases</td>
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<tr>
<td>David McComb</td>
<td>Professor of Nanomaterials</td>
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<td>Michael Lowe</td>
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<td>Peter Julian Dyson</td>
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<td>Simon Taylor-Robinson</td>
<td>Professor in Translational Medicine</td>
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<td>Timothy Vyse</td>
<td>Professor in Rheumatology</td>
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<td>Michael Stumpf</td>
<td>Professor of Theoretical Systems Biology</td>
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<td>Andrew Jaffe</td>
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<td>Raymond Murray</td>
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<td>Jennifer Higham</td>
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<tr>
<td>Masao Takata</td>
<td>Professor of Molecular Physiology in Critical Care</td>
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<tr>
<td>Huw Thomas</td>
<td>Professor of Gastrointestinal Genetics</td>
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<tr>
<td>Joseph Thomas</td>
<td>Professor in Surgical Oncology</td>
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<tr>
<td>Catherine Williamson</td>
<td>Professor in Obstetric Medicine</td>
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</table>
CONFERMENT OF TITLE - READER

The following have been conferred the title of Reader with effect from 1 October 2007:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brian Falzon</td>
<td>Reader in Advanced Aerostructures</td>
<td>Aeronautics</td>
</tr>
<tr>
<td>Ugo Galvanetto</td>
<td>Reader in Applied Nonlinear Mechanics</td>
<td>Aeronautics</td>
</tr>
<tr>
<td>Tim Baraclough</td>
<td>Reader in Evolutionary Biology</td>
<td>Biology</td>
</tr>
<tr>
<td>Richard Murphy</td>
<td>Reader in Plant Science</td>
<td>Biology</td>
</tr>
<tr>
<td>Pietro Spanu</td>
<td>Reader in Molecular Plant Pathology</td>
<td>Biology</td>
</tr>
<tr>
<td>Colin Turnbull</td>
<td>Reader in Molecular Plant Physiology</td>
<td>Biology</td>
</tr>
<tr>
<td>Eleni Hadjiconstantinou</td>
<td>Reader in Management Science</td>
<td>Business School</td>
</tr>
<tr>
<td>Susana Mourato</td>
<td>Reader in Environmental Economics</td>
<td>Centre for Environmental Policy</td>
</tr>
<tr>
<td>Claire Adjiman</td>
<td>Reader in Chemical Engineering</td>
<td>Chemical Engineering</td>
</tr>
<tr>
<td>Athanasios Mantalaris</td>
<td>Reader in Biological Systems Engineering</td>
<td>Chemical Engineering</td>
</tr>
<tr>
<td>Joachim Steinke</td>
<td>Reader in Polymer Chemistry</td>
<td>Chemistry</td>
</tr>
<tr>
<td>Ramon Vilar</td>
<td>Reader in Inorganic Chemistry</td>
<td>Chemistry</td>
</tr>
<tr>
<td>Sophia Yaliraki</td>
<td>Reader in Theoretical Chemistry</td>
<td>Chemistry</td>
</tr>
<tr>
<td>Gary Hunt</td>
<td>Reader in Fluid Mechanics</td>
<td>Civil and Environmental Engineering</td>
</tr>
<tr>
<td>Lidija Zdravkovic</td>
<td>Reader in Numerical Soil Mechanics</td>
<td>Civil and Environmental Engineering</td>
</tr>
<tr>
<td>Meng Li</td>
<td>Reader in Developmental Neurobiology</td>
<td>Clinical Sciences</td>
</tr>
<tr>
<td>Emil Lupu</td>
<td>Reader in Adaptive Computing Systems</td>
<td>Computing</td>
</tr>
<tr>
<td>Julie McCann</td>
<td>Reader in Computer Systems</td>
<td>Computing</td>
</tr>
<tr>
<td>Maja Pantic</td>
<td>Reader in Multimodal Human Computer Interaction</td>
<td>Computing</td>
</tr>
<tr>
<td>Sebastian Uchitel</td>
<td>Reader in Software Engineering</td>
<td>Computing</td>
</tr>
<tr>
<td>Mark Rehkamper</td>
<td>Reader in Isotope Geochemistry</td>
<td>Earth Science and Engineering</td>
</tr>
<tr>
<td>Velisa Vesovic</td>
<td>Reader in Transport Phenomena</td>
<td>Earth Science and Engineering</td>
</tr>
<tr>
<td>Patrick Naylor</td>
<td>Reader in Speech &amp; Audio Signal</td>
<td>Electrical &amp; Electronic</td>
</tr>
<tr>
<td>Bikash Pal</td>
<td>Reader in Power Systems</td>
<td>Electrical &amp; Electronic</td>
</tr>
</tbody>
</table>

Council
23 November 2007
<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul Aylin</td>
<td>Clinical Reader in Epidemiology &amp; Public Health</td>
<td>EPHPC</td>
</tr>
<tr>
<td>Maria – Gloria Basanescu</td>
<td>Reader in Parasite Epidemiology</td>
<td>EPHPC</td>
</tr>
<tr>
<td>Helen Ward</td>
<td>Clinical Reader in Social Epidemiology</td>
<td>EPHPC</td>
</tr>
<tr>
<td>Rob Goldin</td>
<td>Reader in Liver &amp; Gastro-Intestinal Pathology</td>
<td>Investigative Science</td>
</tr>
<tr>
<td>Alison Holmes</td>
<td>Reader in Infection Prevention &amp; Control</td>
<td>Investigative Science</td>
</tr>
<tr>
<td>David Moore</td>
<td>Reader in Infectious Diseases &amp; Tropical Medicine</td>
<td>Investigative Science</td>
</tr>
<tr>
<td>Nicholas Russell</td>
<td>Reader in Science Communication</td>
<td>Humanities</td>
</tr>
<tr>
<td>Dorje Brody</td>
<td>Reader in Mathematics</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Dan Crisan</td>
<td>Reader in Pure Mathematics</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Mark Haskins</td>
<td>Reader in Pure Mathematics</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Stefano Luzzatto</td>
<td>Reader in Applied Mathematics</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Jean-Luc Thiffeault</td>
<td>Reader in Applied Mathematics</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Andreas Kronenburg</td>
<td>Reader in Combustion</td>
<td>Mechanical Engineering</td>
</tr>
<tr>
<td>Susan Brown</td>
<td>Reader in Experimental Pathology</td>
<td>Medicine</td>
</tr>
<tr>
<td>George Bou-Gharis</td>
<td>Reader in Matrix Biology</td>
<td>Medicine</td>
</tr>
<tr>
<td>Jan Domin</td>
<td>Reader in Cell Biology</td>
<td>Medicine</td>
</tr>
<tr>
<td>Michael Mcgarvey</td>
<td>Reader in Molecular Virology</td>
<td>Medicine</td>
</tr>
<tr>
<td>Jennifer Morgan</td>
<td>Reader in Cell Biology</td>
<td>Medicine</td>
</tr>
<tr>
<td>Atul Purohit</td>
<td>Reader in Steroid Endocrinology</td>
<td>Medicine</td>
</tr>
<tr>
<td>Graham Taylor</td>
<td>Reader in Communicable Diseases</td>
<td>Medicine</td>
</tr>
<tr>
<td>Gareth Tudor-Williams</td>
<td>Reader in Paediatric Infectious Diseases</td>
<td>Medicine</td>
</tr>
<tr>
<td>Trevor Hansel</td>
<td>Reader in Respiratory Clinical Pharmacology</td>
<td>NHLI</td>
</tr>
<tr>
<td>Stuart Rosen</td>
<td>Reader in Cardiology</td>
<td>NHLI</td>
</tr>
<tr>
<td>Susan Smith</td>
<td>Reader in Medical Education</td>
<td>NHLI</td>
</tr>
<tr>
<td>Ulrik Egede</td>
<td>Reader in Physics</td>
<td>Physics</td>
</tr>
<tr>
<td>Zulfikar Najmudin</td>
<td>Reader in Physics</td>
<td>Physics</td>
</tr>
<tr>
<td>Benjamin Sauer</td>
<td>Reader in Experimental Physics</td>
<td>Physics</td>
</tr>
</tbody>
</table>

**VISITING PROFESSORS/READERS**

Professor Matthew Adrian LEACH, previously employed as a Senior Lecturer in the Centre for Environmental Policy, Faculty of Natural Sciences, has accepted an association as a Visiting Professor in the Centre for Environmental Policy, Faculty of Natural Sciences, with effect from 1 September 2007 until 31 August 2010.

Dr Stephen Charles (Steve) MITCHELL, previously employed as a Reader in Drug Metabolism in the Division of Neuroscience and Mental Health, Faculty of Medicine, has
accepted an association as a Visiting Reader in the Division of Surgery, Oncology, Reproductive Biology and Anaesthetics, Faculty of Medicine, with effect from 1 August 2007 until 31 July 2010.

**RETIREMENTS**

Dr Michael Henry DE FREITAS C.Geol. FGS, Reader of Engineering Geology in the Department of Civil and Environmental Engineering, in the Faculty of Engineering, has retired with effect from 30 September 2007.

Dr Alvan William Leonard (Bill) DU DENE Y, Reader in the Department of Earth Science and Engineering, in the Faculty of Engineering, has retired with effect from 30 September 2007.

Ms Clare JENKINS, Director of Library Services, has retired with effect from 30 September 2007.

Professor Dame Julia Stretton HIGGINS DBE FRS FREng, former Principal of the Faculty of Engineering, has accepted an association with the College as Senior Research Investigator.

Emeritus Dr Anita HOLDcroft, Clinical Reader in the Division of Surgery, Oncology, Reproductive Biology and Anaesthetics, in the Faculty of Medicine, has retired with effect from 30 September 2007. Following retirement, the Emeritus title has been conferred.

Dr Roy Leslie JACOBS, Director of Ancillary Mathematics in the Department of Mathematics, in the Faculty of Natural Sciences, has retired with effect from 30 September 2007.

Emeritus Professor Rees David RAWLINGS, former Pro-Rector for Educational Quality, has had the Emeritus title conferred.

Emeritus Professor Raymond John (Ray) RIVERS, Professor of Theoretical Physics, Department of Physics, in the Faculty of Medicine, has retired with effect from 1 November 2007. Following retirement, the Emeritus title has been conferred.

Emeritus Professor Philip STEER, Clinical Professor of Obstetrics and Gynaecology, Division of Surgery, Oncology, Reproductive Biology and Anaesthetics, in the Faculty of Medicine, has retired with effect from 31 August 2007. Following retirement, the Emeritus title has been conferred.

Emeritus Professor Kenneth Macdonald TAYLOR, Clinical Professor at the National Heart and Lung Institute, has retired with effect from 31 October 2007. Following retirement, the Emeritus title has been conferred.

**LEAVERS**

Professor Barbara Jane BAIN has resigned from her post as Professor in Diagnostic Haematology, Division of Investigative Science, in the Faculty of Medicine, with effect from 3 September 2007.
Professor Sir Leszek BORYSIEWICZ has resigned from his post as Deputy Rector with effect from 30 September 2007 to take up an appointment as Chief Executive of the Medical Research Council with effect from 1 October 2007.

Professor Martin Robert BRIDSON has resigned from his post as Chair in Pure Mathematics, Department of Mathematics, in the Faculty of Natural Sciences, with effect from 30 September 2007.

Professor Janet Elizabeth DREW has resigned from her post as Professor of Astrophysics, Department of Physics, in the Faculty of Natural Sciences, with effect from 30 September 2007 to take up an appointment as Professor at the University of Hertfordshire.

Dr Kazuhiro ITO has resigned from his post as Reader in Respiratory Molecular Cell Biology at the National Heart and Lung Institute, in the Faculty of Medicine, with effect from 31 October 2007 to take up an appointment as Chief Scientific Officer at RespiVert. Following resignation, he has accepted an association with the College as Honorary Principal Research Fellow.

Dr Tidu MAINI has resigned from his post as Pro-Rector for Development and Corporate Affairs with effect from 30 September 2007 to take up an appointment with the Qatar Foundation.

Emeritus Professor Nicholas John (Nick) RUSSELL has resigned from his post as Professor and Head of Section Department of Agricultural Sciences, in the Faculty of Natural Sciences, with effect from 30 September 2007. Following resignation, the Emeritus title has been conferred.

Professor David J SANDERSON has resigned from his post as Professor in the Department of Earth Science and Engineering, in the Faculty of Engineering, with effect from 30 September 2007.
PAPER B

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2007

A Note by the Chief Operating Officer

1. A copy of the College’s Annual Report and Accounts (the Financial Statements) for the year ended 31 July 2007 is enclosed with these Papers. (1)

2. The Financial Statements have been approved within the College and have been considered by the Audit Committee, which has recommended that they should be approved by the Council. The Audit Committee will make its own report to the Council in accordance with the Audit Code of Practice issued by the Higher Education Funding Council for England.

3. The Council is invited to consider and, if it sees fit, approve the Financial Statements for the year ended 31 July 2007.

M.P.K.

1. The Annual Report and Accounts are not included with these Minutes.
1. As part of the audit of the College’s accounts, the Council is required to provide the External Auditors, PricewaterhouseCoopers, with a Representation Letter, which acknowledges the Council’s responsibilities under the Financial Memorandum with the Funding Council, and sets out a series of representations concerning the documentation and information on which the Annual Report and Accounts are based.

2. The draft Representation Letter has been endorsed by the Audit Committee.

3. The Council is now asked to consider and, if it sees fit, approve the Representation Letter, a copy of which is attached at Annex A.

M.P.K.
Annex A

PricewaterhouseCoopers LLP
80, The Strand
London
WC2R 0AF

This representation letter is provided in connection with your audit of the Financial Statements of Imperial College London for the year ended 31 July 2007. The College is responsible for preparing consolidated financial statements in respect of itself and its subsidiary undertakings (together ‘the Group’).

Your audit is conducted for the purpose of expressing an opinion as to whether the Financial Statements of the College and the Group give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) on Accounting for Further and Higher Education 2003, of the state of affairs of the College and the Group as at 31 July 2007 and of its surplus and cash flows for the year then ended, taking into account, where relevant and appropriate, all required statutory and other disclosure requirements.

We, as members of the Council, acknowledge our responsibilities under the Financial Memorandum with the Higher Education Funding Council for England for preparing financial statements which give a true and fair view and for making accurate representations to you.

We also acknowledge our other responsibilities under the Financial Memorandum with the Funding Council, including, in particular, our responsibilities to conduct the business of the College in accordance with the 1992 Further and Higher Education Act, the conditions set out in the Financial Memorandum, and any other conditions that the Funding Council may from time to time prescribe.

We confirm that the following representations are made on the basis of enquiries of management and staff of the College and the Group with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the following representations to you.

We confirm, to the best of our knowledge and belief and having made appropriate enquiries of other members of the Council and officials of the College and the Group, the following representations:

Accounting Records

All the accounting records, whether for the purposes of financial reporting or any other purpose, have been made available to you for the purpose of your audit and all the transactions undertaken by the College and the Group have been properly reflected and recorded in the accounting records.

All other records and related information which might affect the truth and fairness of, or necessary disclosure in, the Financial Statements, including minutes of the Council and relevant management meetings, have been made available to you and no such information has been withheld.
So far as the Council is aware, there is no relevant audit information of which you are unaware.

**Accounting Policies**

We confirm that we have reviewed the College's and Group's accounting policies and estimation techniques and, having regard to the possible alternative policies and techniques, the accounting policies and estimation techniques selected for use in the preparation of the Financial Statements are the most appropriate to give a true and fair view for the College's and Group's particular circumstances, as required by FRS 18 'Accounting Policies'.

**Funding Council Grants**

Full provision has been made for all liabilities at the balance sheet date. We are not aware of any instances where we have not provided in the Financial Statements for grants repayable to the Funding Council. We have made all correspondence relating to funding from the Funding Council available to you.

**Related Parties**

We confirm that we have disclosed all related party transactions relevant to the College and the Group and that we are not aware of any other such matters required to be disclosed in the Financial Statements whether under FRS 8 'Related Party Disclosures', the SORP or other requirements, for example, Funding Council circulars.

**Employee Benefits**

We confirm that we have made you aware of all employee benefit schemes in which employees of the College and the Group participate.

**Retirement Benefits**

The College participates in a number of defined benefit schemes. We confirm that the College’s share of the underlying assets and liabilities in the Universities Superannuation Scheme (USS), the Superannuation Arrangements of the University of London (SAUL) and the NHS Pension Scheme cannot be identified and as a consequence the Schemes have been accounted for as defined contribution schemes.

**Contractual Arrangements/Agreements**

All contractual arrangements (including side-letters to agreements) entered into by the College and the Group with third parties have been properly reflected in the accounting records or, where material (or potentially material) to the Financial Statements, have been disclosed to you.

**Regularity**

We confirm that there are no instances where the business of the institution has not been conducted in accordance with the 1992 Further and Higher Education Act, the conditions set out in the Financial Memorandum, and other conditions that the Funding Council from time to time has prescribed.
Application of Funds

We confirm that funds, from whatever source, administered by the Institution for specific purposes, have been properly applied to those purposes and, where relevant, managed in accordance with appropriate legislation, and that all funds provided by the Funding Council have been applied in accordance with the relevant Financial Memorandum and any other terms and conditions applied to them.

Laws and Regulations

We are not aware of any instances of actual or potential breaches of, or non-compliance with, laws and regulations, including any requirements of the Funding Council, which provide a legal framework within which the College and the Group conducts their business, and which are central to the College’s and the Group’s ability to conduct its business or that could have a material effect on the Financial Statements.

We are not aware of any irregularities, or allegations of irregularities, involving management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the Financial Statements.

Fraud

We acknowledge our responsibility for the design and implementation of internal control to prevent and detect fraud. We have disclosed to you:

the results of our assessment of the risk that the Financial Statements may be materially misstated as a result of fraud;

- our knowledge of fraud or suspected fraud affecting the College and the Group involving:
  - management
  - employees who have significant roles in internal control, or
  - others where the fraud could have a material effect on the Financial Statements;

- our knowledge of any allegations of fraud, or suspected fraud, affecting the College's and the Group's Financial Statements communicated by employees, former employees, analysts, regulators or others.

Misstatements Detected during the Audit

We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error.

We confirm that the Financial Statements are free from material misstatement, including omissions.

Taxation

We have complied with the taxation requirements of all countries within which we operate and have brought to account all liabilities for taxation due to the relevant tax authorities whether in respect of any corporation or other direct tax or any indirect taxes. We are not
aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest.

In particular:

- In connection with any tax accounting requirements, we are satisfied that our systems are capable of identifying all material tax liabilities and transactions \(^{(1)}\) subject to tax and we have maintained all documents and records required to be kept by the relevant tax authorities in accordance with the law of each country or in accordance with any agreement reached with such authorities.

- We have submitted all returns and made all payments that were required to be made (within the relevant time limits) to the relevant tax authorities, including any return requiring us to disclose any tax planning transactions that have been undertaken, whether for the College’s or the Group’s benefit or any other party’s benefit.

- We are not aware of any taxation, penalties or interest that are yet to be assessed relating to the College, the Group, or any associated entity for whose taxation liabilities the Institution may be responsible.

- In managing the tax affairs of the College and the Group, we have taken into account any special provisions such as transfer pricing and controlled foreign companies legislation applied in different tax jurisdictions.

Remuneration Disclosure

We confirm that the following has been accurately disclosed in accordance with Funding Council guidance:

- the number of staff paid more than £70,000 \textit{per annum};

- emoluments received by the Rector.

We confirm that no member of the Council other than the Rector and staff members received any payment from the College, other than the reimbursement of travel and subsistence incurred in the course of their duties.

Litigation

We are not aware of any pending or threatened litigation, proceedings, hearings or claims negotiations which may result in significant loss to the College and the Group.

Liabilities and Provisions

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have made full provision for all liabilities at the balance sheet date including guarantees, commitments and contingencies where the items are expected to result in significant loss.

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1. Transactions may include those not recorded in the accounting records such as the free use of company property, tangible or intangible.
Management Estimates

We have reviewed the accounting estimates used in calculating the bad debt and research Work-in-Progress provisions and are satisfied that the value of the debt, less the provision included within the accounts, represents our best estimate of the likely amount that will be collected in the future.

We have reviewed the calculation of the redundancy provisions and are satisfied that it is a reasonable estimate based on past experience and that it represents our best estimate of the likely cash outflow required to complete the restructuring.

We have reviewed the calculation of the decommissioning provision for the facility and are satisfied that it is recorded at the full cost anticipated to be incurred by the College, discounted to today’s prices.

Assets

We have no plans or intentions that may materially alter the carrying value or classification of assets reflected in the Financial Statements.

We confirm that we have considered the need for impairment of the carrying value of the assets within the Financial Statements in accordance with FRS11 and that no adjustment is required.

In our opinion, on realisation in the ordinary course of the business the current assets in the balance sheet are expected to produce no less than the net book amounts at which they are stated.

The College has satisfactory title to all assets and there are no liens or encumbrances on the College’s assets, except for those that are disclosed in the Financial Statements.

Associated Companies

We confirm that, with the exception of the disclosures in the Financial Statements, the College has no participating interest in any associated companies, which require consolidation in the Financial Statements and which would be material to the College’s consolidated Financial Statements.

Subsequent Events

Other than as described in Note 31 to the Financial Statements, there have been no circumstances or events subsequent to the period end which require adjustment of, or disclosure in, the Financial Statements or in the notes thereto.

As minuted by the Council at its meeting on 23 November 2007.

........................................ ........................................
Chairman Rector

For and on behalf of Imperial College London

Date ……………
INTRODUCTION

1. This Report covers the Audit Committee’s work for the financial year 2006-07 and is set out in the format recommended by the Higher Education Funding Council for England (HEFCE) in its Audit Code of Practice.

TERMS OF REFERENCE AND MEMBERSHIP

2. The Committee’s terms of reference and membership for the year 2006-07 are attached at Annex A. The Committee had a full complement of members for the entire year.

3. In November 2006, Mr. Roche’s final term of office as a member of the Council, and hence his membership of the Audit Committee, ended. Ms. Carolyn Griffiths was appointed to the Council and to the Audit Committee in succession to Mr. Roche and took up this appointment from 25 November 2006.

4. The final term of office of Dr. Wilbraham, who had been a member of the Committee since June 2000, expired in September 2006. He has now been succeeded by Sir Peter Gershon, another external member of the Council.

MEETINGS OF THE AUDIT COMMITTEE IN 2007

5. Since its last Report to the Council, the Audit Committee has held meetings on 14 February, 13 June and 8 November 2007.

INTERNAL AUDIT

6. During the financial year 2006-07 Internal Audit services were provided in-house by the College’s Management Audit and Review Department in accordance with the Annual Internal Audit Plan for the year to 31 July 2007, as approved by the Audit Committee in November 2006.

7. In 2006 a review of the College’s Internal Audit function concluded that “the Internal Audit Department’s procedures have failed to keep pace with the transition from system-based to risk-based audit. As a result the planning, conduct and reporting of audits fall short of current best practice in a number of ways and need to be improved”. Following careful consideration of the Report of this Review at its meeting in October 2006, the College’s Management Board decided that the Internal Audit Department should be closed and that consideration should be given to identifying an external supplier who could meet the internal audit needs of the College in a more relevant manner. The Audit Committee endorsed the approach adopted by the Management Board and, in early 2007, a tender process to identify a suitable external provider was conducted. At the end of the tender process, Deloitte &
Touche were appointed to provide Internal Audit Services to the College from 1 August 2007.

8. Following the decision by the College to outsource the Internal Audit function from 1 August 2007 and the immediate effect this had on the resources of the in-house function, an amended Internal Audit Plan was put in place which was approved by the Audit Committee in February 2007.

9. As a result of the decision to outsource the Internal Audit function, the staffing of the in-house Department was reduced to consist of the Head of Internal Audit and one Auditor. KPMG were requested, with the approval of the Audit Committee, to assist with the completion of the audits still outstanding in the annual Internal Audit Plan, in addition to continuing to provide additional specialist Computer Audit via a Manager reporting to the Head of Internal Audit.

10. In all, 16 internal audit reports were issued by the in-house service during the year, together with 7 reports of audits that were conducted by KPMG. In addition, 92 FP6 Research Contract Audit Certificates to the value of €10.36M were issued. A copy of each audit report was passed to the College Secretary for information and discussion, as appropriate, at monthly management meetings where significant findings and recommendations arose from the reviews. A further copy was issued to the Director of Finance so that he would be aware of any control issues and/or recommendations impacting upon the central finance function. The Audit Committee also received regular updates on completed internal audit reports, including a summary of specific issues arising from the audits.

11. The HEFCE Audit Code requires the provision by the Head of Internal Audit of an opinion on the adequacy and effectiveness of the institution’s arrangements for risk management, control and governance, and value for money - and the extent to which the governing body can rely on them. The findings of the audit reviews undertaken in accordance with the revised Internal Audit Plan for the year ended 31 July 2007 provided the basis on which the annual internal audit opinion was given.

12. In the light of the reviews conducted in accordance with the 2006-07 revised Internal Audit Plan, and subject to the caveat that examinations are necessarily conducted on a sample basis, the Head of Internal Audit concluded that the Council may rely upon the steps taken by management to ensure that there are satisfactory arrangements in place for risk management, and control and governance, coupled with appropriate mechanisms for securing economy, efficiency and effectiveness (value for money) within the College.

EXTERNAL AUDIT

13. External audit services are provided by PricewaterhouseCoopers (PwC), who were re-appointed as the College’s External Auditors for a period of five years from 1 August 2004 following a tendering process conducted by the College. At its meeting in June 2007 the Committee considered the External Audit Strategy for the preparation of the Financial Statements for the year ended 31 July 2007. The Committee noted that, as there were no new major accounting standards, the Auditors would be concentrating on key risks including:

   a. The establishment of the College Fund.

   c. Imperial Innovations Ltd, which, as a listed company, would have to report its results under International Financial Reporting Standards (IFRS) this year. This
would make the consolidation of its accounts into the College’s Financial Statements (which are reported under UK GAAP standards) more complicated.

d. The provisions for decommissioning of the College’s Reactor.
e. The establishment of the Academic Health Sciences Centre.


VALUE FOR MONEY (VfM)

15. The Committee has previously agreed that the responsibility for considering VfM initiatives lies with the College’s Management Board and that an opinion, based on its review during the year, should be included in the Internal Audit Annual Report to the Audit Committee.

16. The Annual Report on VfM initiatives was presented to, and endorsed by, the Management Board in September 2007. The Report was then considered by the Audit Committee at its Meeting in November and, in the light of this, the Committee can confirm that appropriate management systems are in place for the evaluation and monitoring of the College’s VfM strategy.

RISK MANAGEMENT

17. Since 2003 the HEFCE has required higher education institutions to comply with the Turnbull and Combined Code Recommendations on Corporate Governance. This means that, when the governing body of a higher education institution approves that organisation’s annual accounts each year, it should state whether or not it is satisfied that all material risks facing the institution have been identified. To meet this requirement the College’s Risk Management Policy stipulates that the Management Board will carry out an annual review of the College’s Risk Register and Action Plan. The Management Board’s recommendations are then to be passed to the Audit Committee for consideration so that the Committee can, in turn, make its report to the Council. The Management Board conducted its review of the College’s Risk Register in September 2007 when a revised Risk Register and Action Plan was approved.

18. In the light of this Review, the Audit Committee is satisfied that the College’s Risk Management Policy and associated procedures have been implemented effectively, that the College is operating in accordance with the Turnbull and Combined Code Recommendations, and that it is in full compliance with the HEFCE’s current Accounts Direction.

HEALTH AND SAFETY

19. Following the Council’s review of governance in 2004, it was agreed that the Audit Committee should monitor the College’s arrangements for managing health and safety in the overall context of risk management and thereby provide the Council with an assurance that the College was not only fulfilling its legal obligations but was also targeting cost-effective, continuous improvement in health and safety.
20. In 2006 the College commissioned Health and Safety Technology and Management Limited (HASTAM) to review the College’s health and safety management arrangements to confirm whether or not the College’s health and safety systems were fit for purpose, were in line with best practice and were being followed. HASTAM’s Report confirmed that, overall, the College’s technical and procedural arrangements were satisfactory and recognised that Imperial’s approach had put a particular emphasis on controlling specific high hazard risks where specialist advice was required. However, the Report identified a number of areas where improvement was necessary and, in particular, it recommended that the College develop a Safety Management System based on the Health and Safety Executive publication *Successful Health and Safety Management* (HSG65). In response, the College’s Health and Safety Management Committee established a Review Working Group to take forward the implementation of the Report’s recommendations as defined in the Management Action Plan. In the past year this Group has reviewed all of the College’s safety arrangements in detail and has developed a new safety management system (SMS) for the College, which is now being implemented.

21. When the original HASTAM Report was presented to the Audit Committee, it agreed that, in order to provide it with the necessary assurances, an external review of progress against the Management Action Plan should be conducted annually until the new SMS was in place and fully operational. Accordingly, HASTAM was invited to conduct a progress review in September 2007. The Report of this Review acknowledged the work that had been done by the College on developing and documenting its new SMS and went on to make a number of recommendations on the actions now required to implement the System.

22. In the light of the HASTAM Progress Review, the Audit Committee is satisfied that the College is fulfilling its legal obligations and that there is a clear commitment to providing continuous improvements in the management of health and safety across the College.

OTHER WORK UNDERTAKEN

23. **Approval Hierarchies for Purchase Orders, Purchase Contracts and Suppliers.** In February 2007 the Committee received a Report on purchase order approvals, the hierarchy for which had been amended. The proposed hierarchy would ensure that the relevant staff had the necessary authority to carry out their responsibilities, but were also accountable for their actions. Not only would these approval hierarchies improve the efficiency and effectiveness of College operations, but they were in line with the previously agreed process of devolving authority to the Faculties. The Committee endorsed the proposals, which had previously been approved by the Management Board.

24. **Appointment of Internal Auditors.** As noted in Paragraph 7 above, following the Review of Internal Audit conducted in 2006, the Audit Committee conducted a tender process to appoint new Internal Auditors for the College from 1 August 2007. As part of this process, an Evaluation Committee reviewed all the tender submissions and, following presentations from five short-listed firms, recommended that Deloitte & Touche be appointed as the College’s Internal Auditors for a period of five years. This recommendation was accepted by the Audit Committee.

25. **European Union FP6 Audit Certificates.** As a part of the outsourcing of Internal Audit Services, the Committee agreed that the production of these EU audit certificates would be separately outsourced from 1 August 2007, with the internal process in future being managed by the College’s Research Services Division. This tender process was completed in June 2007, as a result of which KPMG were appointed to provide FP6 and FP7 certification services.
OPINION

26. In the Committee’s terms of reference (attached at Annex A to this Report) the Council has delegated to the Audit Committee the responsibility for reviewing the effectiveness of the College's financial procedures, in order that the Committee can assure the Council that funds from the HEFCE have been used only for the purposes for which they have been given, that public funds and those received from other sources have been safeguarded, and that the management of the College's resources and expenditure has been such as to secure their use in an economic, efficient and effective way.

27. Given the assurances contained in the reports made to the Audit Committee during the year by the Internal and External Auditors, and in the summaries of their annual reports to the Audit Committee contained in this Report, together with those received from the College’s management, the Audit Committee is now able to give the Council the necessary assurances that the Council's responsibilities have been satisfactorily discharged.

Dr. G.G. Gray
Chairman, Audit Committee
Annex A

AUDIT COMMITTEE

TERMS OF REFERENCE

1. To keep under review the effectiveness of internal control systems, and in particular to review the external auditors’ management letter, the internal auditors' annual report, and management responses.

2. To consider the Annual Financial Statements in the presence of the external auditor, including the auditor’s formal opinion, the statement of members’ responsibilities and any corporate governance statement.

3. To monitor the implementation of agreed recommendations arising from internal and external audit reports.

4. To advise the Council on the appointment of the external auditors, the audit fee, the provision of any non-audit services by the external auditors and any questions of resignation or dismissal of the external auditors.

5. To review the internal auditors’ audit needs assessment and the audit plan; to consider major findings of internal audit investigations and management's response; and promote coordination between the internal and external auditors. The Committee will ensure that the resources made available for internal audit are sufficient to meet the University's needs.

6. To satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.

7. To monitor the effectiveness of the University’s risk management policy and procedures, and in this regard, to receive annual reports from the Rector on Risk Management and the management of Health and Safety within the University.

8. To receive any relevant reports from the National Audit Office, the HEFCE and other organisations.

9. To monitor annually the performance and effectiveness of external and internal auditors.

10. To report to the Council at least annually on its activity for the year and to give its opinion on the extent to which the Council may rely on the internal control system and the arrangements for securing economy, efficiency and effectiveness.

11. The Committee shall have the authority to call for any information from College officers, external and internal auditors and others which it considers necessary to discharge its responsibilities effectively.
CONSTITUTION

12. The Committee and its Chairman shall be appointed by the Council from among its own members and must consist of members with no executive responsibility for the management of the University. No member of the Audit Committee may also serve on the University’s Finance Committee or its equivalent.

13. Members

a. A Chairman to be appointed by the Council from among the external members of the Council.

b. Three members, at least one of whom shall have recent and relevant expertise and experience in finance, accounting or auditing, to be appointed by the Council from among the external members of the Council.

c. The Committee shall have the power to co-opt up to two additional external members, if it sees fit.

14. In Attendance

The Rector
The Deputy Rector
The College Secretary
The Director of Finance
Representatives of the internal and external auditors

15. Secretary

The Head of Central Secretariat and Assistant Clerk to the Court and Council

MEETINGS AND REPORTING

16. The Committee shall meet not less than three times a year. The external auditors and internal auditors may request that additional meetings be held if they consider it necessary.

17. The minutes of meetings of the Committee will be circulated to all members of the Council.

18. The Committee will prepare an annual report covering the University’s financial year and any significant issues up to the date of preparing the Report. The Report will be addressed to the Rector and to the Council and will summarise the activity for the year. It will give the Committee’s opinion on the adequacy and effectiveness of the University’s arrangements for:

a. Risk Management, control and governance, including the accuracy of the statement of internal control included with the annual statement of accounts.

b. Economy, efficiency and effectiveness (value for money).
19. This Report will be presented to the Council before the members’ responsibility statement in the Annual Financial Statements is signed.

20. The Committee will also provide an annual statement on the University’s Accounts to the Court at its annual meeting.

QUORUM

21. The quorum shall be the Chairman and one other member.

PRESENT MEMBERSHIP:

Dr. G.G. Gray
Mrs. P. Couttie
Sir Peter Gershon (from 1 November 2007)
Ms. C. Griffiths (from 25 November 2006)
Mr. A.D. Roche (until 24 November 2006)
Dr. J.D. Wilbraham (until 30 September 2007)
Ms. K. Kantor (co-opted)
PAPER E

SUMMARY OF THE COLLEGE RISK REGISTER

A Note by the College Secretary

1. Members may recall that, when the Council considered the Audit Committee’s Annual Report last year, there was some discussion of the College’s risk management procedures. In particular, members noted that the Council had not previously received any detailed information on how the College assessed and managed its risks as such reports were presented only to the Audit Committee. As a result of this discussion it was agreed that, while it was entirely proper that the detailed scrutiny of risk management should be delegated to the Audit Committee, the Council should also be presented with a high-level summary of the College’s approved Risk Register for information, once the Audit Committee had completed its consideration of the Register.

2. The College’s Risk Management Policy and procedures were originally put in place in 2002. They were reviewed in 2006 by KPMG, following which the Management Board approved an amended Risk Management Policy. In accordance with this Policy, the Management Board conducts an annual review of the Corporate Risk Register and Action Plan and then reports its findings to the Audit Committee. This Review is conducted in three phases. First, Faculties, Departments and Divisions update their risk registers as part of the annual planning round. These are then scrutinised to identify any risks that should be added to the College’s main Risk Register. Next, the Minutes of the Management Board are reviewed to identify any significant new risks which have arisen during the year and to assess what action has been taken to mitigate them. Finally, the Corporate Risk Register and Action Plan is circulated to the College’s senior staff, who are asked to identify the mitigating actions they have taken in the past year and to amend the Register accordingly.

3. As a result of this year’s review of Faculty and Support Service Risk Registers and of the Minutes of the Management Board the Board decided to add a new corporate-level risk to the Risk Register. This relates to the establishment of the Academic Health Science Centre and, because of the high profile of this development, it has been given an appropriately high priority in the Risk Register and Action Plan.

4. The Summary Risk Register, a copy of which is attached at Annex A, provides a high level statement of the College’s main risks, an assessment of each risk’s likelihood and potential impact, and a note of the senior member of staff with responsibility for mitigating the risk. Each risk is also placed on a grid and given an overall risk assessment as ‘High’, ‘Medium’ or ‘Low’. The full Risk Register, which is published on the College’s website, additionally includes a note of associated factors for each risk, the agreed mitigating actions being taken by the College, and the early warning indicators used to assess any change in the College’s risk profile.

5. As is confirmed in its Annual Report to the Council, the Audit Committee reviewed the full Risk Register at its Meeting on 8 November and concluded that the College’s Risk Management Policy and associated procedures have been implemented effectively, that the College is operating in accordance with the Turnbull and Combined Code Recommendations and that it is in full compliance with HEFCE’s current Accounts Direction.

R.F.E.
<table>
<thead>
<tr>
<th>Serial</th>
<th>Strategic Aim</th>
<th>Risk Description</th>
<th>SMT Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Resources</td>
<td>The College may be unable to recruit, retain, motivate and develop the calibre of staff it needs</td>
<td>Director of Human Resources</td>
</tr>
<tr>
<td>(b)</td>
<td>Influence</td>
<td>The College may be unable to effectively influence and manage its relationship with key external stakeholders</td>
<td>Rector/College Secretary</td>
</tr>
<tr>
<td></td>
<td>Organisation</td>
<td>The College may fail to bring its proposals for the development of the new Academic Health Science Centre (AHSC) to fruition</td>
<td>Principal, Faculty of Medicine</td>
</tr>
<tr>
<td>(c)</td>
<td>Resources</td>
<td>The College’s internal investment programme and external funding may prove insufficient to maintain the College’s position as a market leader</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>(d)</td>
<td>Organisation</td>
<td>An inadequate management structure or processes may hinder the effective development of the organisation</td>
<td>Director of Communications</td>
</tr>
<tr>
<td>(e)</td>
<td>Resources</td>
<td>The College may undertake too many initiatives without providing the resources necessary to support them adequately</td>
<td>Rector/Chief Operating Officer</td>
</tr>
<tr>
<td>(f)</td>
<td>Research/Education</td>
<td>The College may fail to think and act globally</td>
<td>Rector/College Secretary</td>
</tr>
<tr>
<td>(g)</td>
<td>Education</td>
<td>The College may no longer be able to attract and retain the best students</td>
<td>Pro-Rector (Education)</td>
</tr>
</tbody>
</table>

**Gridpoint**

- (a) H/M
- (b) M
- (c) H/M
- (d) M
- (e) M/H
- (f) M
- (g) M

**Likelihood**

- (a) M
- (b) M
- (c) M
- (d) M
- (e) M/H
- (f) M
- (g) M
<table>
<thead>
<tr>
<th>Serial</th>
<th>Strategic Aim</th>
<th>Risk Description</th>
<th>SMT Responsibility</th>
<th>Impact (Finance)/ (Reputation)</th>
<th>Likelihood</th>
<th>Gridpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>Resources/ Influence</td>
<td>Circumstances beyond the College’s control may adversely affect the College</td>
<td>Chief Operating Officer/ Director of Risk Management</td>
<td>H/M</td>
<td>M</td>
<td>M/M</td>
</tr>
<tr>
<td>11.</td>
<td>Resources</td>
<td>The College may not build up its financial support base and/or diversify its sources of income to meet its resource needs</td>
<td>Chief Operating Officer / Pro-Rector (Commercial Affairs)</td>
<td>H/M</td>
<td>M</td>
<td>M/M</td>
</tr>
<tr>
<td>12.</td>
<td>Research</td>
<td>The College may fail to develop a strategy for, and maintain the quality of, its research.</td>
<td>Rector</td>
<td>L/M</td>
<td>L</td>
<td>M/L</td>
</tr>
<tr>
<td>13.</td>
<td>Resources</td>
<td>The College may fail to maintain, develop and exploit its Estate.</td>
<td>Chief Operating Officer</td>
<td>H/L</td>
<td>L</td>
<td>M/L</td>
</tr>
<tr>
<td>14.</td>
<td>Education/ Research</td>
<td>The College may fail to maintain an appropriate balance between research and teaching</td>
<td>Rector</td>
<td>M/M</td>
<td>L</td>
<td>M/L</td>
</tr>
<tr>
<td>15.</td>
<td>Research</td>
<td>The College may not identify and/or sufficiently protect key intellectual property</td>
<td>Pro-Rector (Commercial Affairs)</td>
<td>M/L</td>
<td>L</td>
<td>M/L</td>
</tr>
<tr>
<td>16.</td>
<td>Resources</td>
<td>The College may fail to maintain, protect and develop its IT systems</td>
<td>Director of ICT</td>
<td>L/M</td>
<td>L</td>
<td>M/L</td>
</tr>
<tr>
<td>17.</td>
<td>Organisation</td>
<td>The College may fail to respond adequately to changing Health and Safety and other similar legislation.</td>
<td>Director of Risk Management</td>
<td>M/M</td>
<td>L</td>
<td>M/L</td>
</tr>
</tbody>
</table>
RISK PROFILE 2007

Impact Rating Guidelines:
- **High**: Financial loss >£200M
- **Medium**: Financial loss between £5M - £200M
- **Low**: Financial loss between £2M - £5M
- **Low/High**: Closure of a major academic department
- **Low/Medium**: Loss of a high profile member of staff / research group

Likelihood Rating Criteria:
- **High**: Almost certain
- **Medium**: Probable
- **Low**: Unlikely

The diagram shows a risk matrix with impact and likelihood ratings, categorized into high, medium, and low risk profiles.
PAPER F

FINANCIAL MANAGEMENT REPORT

A Report by the Chief Operating Officer

MANAGEMENT ACCOUNTS TO 30 SEPTEMBER 2007

1. Research income is marginally behind budget, but it is still 8% ahead of last year (Page 2). Operating I&E is £5.5M ahead of budget already. £2M of this is in Faculties (Page 8) spread across the piece; Commercial Services is £0.5M ahead of budget, continuing its excellent performance of last year (Page 2); central corporate and project costs are £2M ahead, of which interest and depreciation represent £1.2M. In Support Services, the cost base is 13% greater than last year, partly because of an extension of activity included in the unit and partly because of the adverse position in Facilities Management (Page 13), which would appear to be phasing rather than under-performance. The last notable item concerns academic investments (Page 12) where the underspend is £0.5M. This relates principally to the Porter Institute and the Drug Discovery Facility.

2. There are two other noteworthy items on the I&E. Firstly, overhead recovery is £0.5M better than budget and a 16% increase on last year (Page 9); this is almost entirely the result of an increase in Full Economic Cost (FEC) income of £2.7M. Secondly, exceptional income from the sale of 47, Prince’s Gate has been booked this year, not last year, completion having taken place on 17 August 2007 (Page 2).

3. On the balance sheet (Page 3), the budget has been re-based to the 31 July actual position. Two major points to note are: the £16M fixed assets increase, a reflection of the Capex position; and the significant increase in Creditors of £40M on last year and £50M since the year end. Most of this increase relates to the unrecognised element of the student fees which is invoiced in advance but recognised only on a monthly basis.

4. On the cash flow, excluding the exceptional inflow from the sale of 47, Prince’s Gate, the net position is only £0.5M better than budget, despite a £9M over-budget operating inflow. Work-in-Progress (WIP) has gone up to £42M and, most annoyingly, the billable but not billed figure is now £14M. Clearly we need to get a grip of this – it is simply inefficient and not acceptable. Credit is due, however, to the Finance Division for drilling into the details, so that we now have the necessary information and can take the appropriate steps to correct this (Page 4).

5. Our net debt position was £17.5M on 30 September 2007 (Page 3). The net interest bill, because of borrowing costs and the deposit rates achieved, is however, positive - a very satisfactory position.

6. At the Council meeting itself, a snapshot of the October figures will be available and the headline issues will be raised.

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1. The Financial Management Report Booklet is not included with these Minutes
COLLEGE FUND REPORT TO 31 JULY 2007

7. With effect from 1 August 2007, the College Fund Board was formally established with its own governance structure and a dedicated College Fund Board. The Council will receive its first quarterly report from the Board from the Chairman, Mr Stewart Newton, at this meeting. However, the Council has previously received reports on the annual performance of the Investment Assets at this time of year, and therefore a report on performance for the last financial year to 31 July 2007 is attached here at Annex A.

M.P.K.
Annex A

REPORT ON INVESTMENT MANAGEMENT

INTRODUCTION

1. The establishment of a fund to support the College’s borrowing requirements and deliver additional freely disposable income was approved by the Council in 2005 and therefore 2006/07 was the second year of virtual operation for the ‘College Fund’. During the last financial year, the College Fund was managed by a Fund Executive comprising the Chief Operating Officer, the Investment Director and the Director of Finance.

2. During the year, the College Fund managed the College’s Investment Assets, being: the Unitised Liquid Investment Portfolio (“ULIP”), the Non-Core property assets, and the College’s shares in Imperial Innovations Limited. The key targets for the College Fund during 2006/07 were:
   b. The delivery of a 4% real return measured against the Retail Price Index from ULIP.
   c. The formal establishment of the College Fund, including a Unitised Scheme, a dedicated College Fund Board and a separate governance structure.

GROWTH OF THE COLLEGE FUND

3. At the consolidated level the College Fund reached £209.1M, just short of its target of £210M at the end the Financial Year, with an overall asset breakdown as follows:

<table>
<thead>
<tr>
<th>Portfolio By Asset Class</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property fund</td>
<td>2.8%</td>
</tr>
<tr>
<td>UK Equity</td>
<td>17.2%</td>
</tr>
<tr>
<td>Global Equity</td>
<td>8.6%</td>
</tr>
<tr>
<td>Hedge Funds</td>
<td>3.5%</td>
</tr>
<tr>
<td>Cash</td>
<td>1.2%</td>
</tr>
<tr>
<td>Direct Property</td>
<td>13.3%</td>
</tr>
<tr>
<td>Imperial Innovations</td>
<td>53.4%</td>
</tr>
</tbody>
</table>
NON-CORE PROPERTY

4. At the end of the financial year, the College Fund held Non-Core property assets worth a total of £27.8M, of which approximately £16M related to properties transferred during the year:

<table>
<thead>
<tr>
<th>Property</th>
<th>Value at 31 July 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sports Centre Flats</td>
<td>£7M</td>
</tr>
<tr>
<td>52 Prince’s Gate</td>
<td>£3.1M</td>
</tr>
<tr>
<td>Farm and Lodges at Silwood Park</td>
<td>£2.1M</td>
</tr>
</tbody>
</table>

Properties transferred during 2006/07

<table>
<thead>
<tr>
<th>Property</th>
<th>Value at 31 July 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>5a Montrose Court</td>
<td>£0.9M</td>
</tr>
<tr>
<td>47 Prince’s Gate</td>
<td>£9M</td>
</tr>
<tr>
<td>Silwood Business Centre</td>
<td>£3.5M</td>
</tr>
<tr>
<td>78-80 Prince’s Gate Mews</td>
<td>£1.6M</td>
</tr>
<tr>
<td>63 Scotton Street</td>
<td>£0.2M</td>
</tr>
<tr>
<td>Land and Buildings at Norwich Cattle Market</td>
<td>£0.2M</td>
</tr>
<tr>
<td>Silwood Peripheral Development Sites</td>
<td>£0.2M</td>
</tr>
</tbody>
</table>

Total                                           £27.8M

5. The College Fund also identified a pipeline of additional non-core property assets to be transferred over the next three years – the key assets being as follows:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Target year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silwood Manor House</td>
<td>2007/08</td>
</tr>
<tr>
<td>Withersdane</td>
<td>2007/08</td>
</tr>
<tr>
<td>Pembridge Gardens</td>
<td>2008/09</td>
</tr>
<tr>
<td></td>
<td>onwards</td>
</tr>
</tbody>
</table>

IMPERIAL INNOVATIONS

6. As expected, the value of the College’s shares in Imperial Innovations remained relatively steady over the financial year finishing the year at £3.80 per share, giving the College’s interest a market value of £111.5M.

PERFORMANCE OF ULIP

7. Management of the Unitised Liquid Investment Portfolio (“ULIP”) was supported by an Investment Advisory Committee that met on a quarterly basis in order to monitor performance and to advise on investment decisions. The Investment Advisory Committee Members were:
8. Over the year the total return achieved, net of fees, was 12.5%, comfortably outperforming both the 4% total real return target of 7.3% and the return of 5.1% from cash over the same period. ULIP also continues to outperform the target of a 4% real return over a five-year period, as demonstrated in the table below.

9. Some significant asset allocation and fund management changes were made over the year. At the end of October 2006, the remaining holding in Capital International (Global Equity) was redeemed, and the proceeds, together with an additional £190K, were invested in four Legal and General tracker funds, as well as placing nearly £4M in Emerging Markets iShares.

10. The change in the asset allocation position was therefore as follows:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Strategic Allocation</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 Jun 05</td>
<td>31 Jul 06</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>UK Equity</td>
<td>50%</td>
<td>51%</td>
</tr>
<tr>
<td>Global Equity</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>15%</td>
<td>0%</td>
</tr>
<tr>
<td>Fund of Hedge Funds</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>UK Property</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Cash</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
THE FORMAL ESTABLISHMENT OF THE COLLEGE FUND

11. The formal establishment of the College Fund was approved by the Council at its meeting on 13 July 2007, including a Unitised Scheme, a dedicated College Fund Board and a separate governance structure. The membership of the College Fund Board is as follows, noting that there is a vacancy for one further independent member:

   Mr Stewart Newton (Independent Chairman)
   Professor David Miles (Independent member)
   Mr John Anderson (CEO)
   Dr Martin Knight
   Sir Richard Sykes

12. The College Fund Board will be making a quarterly report on the Fund’s activities to all future Council meetings.

M.P.K.
BACKGROUND

1. Under the Terms of Reference of the College Fund Board, approved by the Council at its Meeting on 13 July 2007, the College Fund Board is required to provide a report on its activities (including a financial report and a list of any newly identified Non-Core Assets) to each meeting of the Council.

2. The College Fund Board has now met four times (once in anticipation of the creation of the College Fund, and three times since).

OBJECTIVES

3. The main purpose of the College Fund Board is to manage the assets given to it so as to meet the investment objectives laid down by the College. *Ab initio* it was clear that there were two main pots of money; “liquid assets” to be invested in readily realisable investments and assets which were deemed to be strategic, namely Imperial Innovations and certain properties. In addition, further analysis showed there were significant amounts of property which were non-core, but which needed management, possibly finance and development, if the full value was to be realised for the long term future of the College. The investment profile of the strategic and non-core development assets were very different from the liquid assets. Such assets have much more volatile returns and, by definition, are less liquid and, at present, are less mature.

4. A secondary but important objective was to build an investment structure which would deliver returns so that those who had money associated with the College, and those who wished to give to the College, would be confident that such money would be well managed.

5. It is generally accepted that, compared with universities of similar international standing, such College assets are small and need to increase.

6. In order to ensure that the investment structure reflected the two very different types of assets - liquid and those with strategic restrictions or which were immature - it was decided to split the assets into two portfolios:

   a. **The Unitised Scheme.**

      (1) The Unitised Scheme will contain all the assets that have been transferred to the College Fund with the exception of the assets that have strategic restrictions on sale (currently the shares in Imperial Innovations and all non-core property on the Prince’s Gardens site) and those property assets that remain in the development stage. The objective of the Unitised Scheme will be to deliver a 4% real return *per annum* measured against the Retail Price Index over a rolling five-year term with relatively low volatility. The Unitised Scheme will also have a clear objective of attracting additional funds for the College through evidence of sound investment performance.
(2) The Unitised Scheme will make a regular annual distribution to Unitholders, calculated on 4.5% of the average value of the Units over the previous five years.

b. **The Special Circumstances Portfolio.**

(1) This Portfolio will contain those assets which are not considered suitable for inclusion in the Unitised Scheme (assets with strategic restrictions on sale, and property assets in the development stage). Assets in the Special Circumstances Portfolio will be managed with a pure investment focus and property assets in the development stage will be reviewed once the development is complete with a view to disposal or transfer to the Unitised Scheme at the discretion of the College Fund Board. The distribution policy for the Special Circumstances Portfolio will be determined on a year-to-year basis depending on the performance of the underlying assets. The priority for the Special Circumstances Portfolio will be to develop the assets into mature and liquid investment assets, and hence increase their real value.

(2) Given the nature of these assets we would expect the returns to be more volatile. Moreover borrowing may be required to develop certain properties.

7. The Board considers it important that the Unitised Fund is run within its clear objectives and does not have assets put into it from the College which are inappropriate or are not approved by the unit holders. If it is seen as a “dustbin” for College assets it will lose credibility and hence the ability to attract money. The Board therefore decided it was inappropriate to invest in the recent money raising of Imperial innovations. However, in the New Year we will be asking unit holders for their views, if they wish the unitised fund to hold Imperial Innovations and if so to what extent.

**PROPOSED APPOINTMENT TO THE BOARD**

8. The current membership of the Board is as follows:

- Mr Stewart Newton  Chairman
- Mr David Miles  Non Executive External Member
- Sir Richard Sykes  Rector (ex officio)
- Dr Martin Knight  Chief Operating Officer (ex officio)
- Mr John Anderson  Chief Executive Officer of the Fund

9. Council members will recall that the Terms of Reference of the College Fund Board provide that the Chairman and two external members of the College Fund Board shall be appointed by the Council. The position of the second external member is currently vacant and it was proposed that the Council should be advised as soon as a second candidate had been identified.

10. The College Fund Board has identified the Hon. Robert Rayne as a suitable candidate to act as an external member of the College Fund Board, and he has confirmed that, subject to formal appointment by the Council, he would be willing to accept this position. The Hon. Robert Rayne is the Chief Executive of LMS Capital, Chairman of London Derwent plc and also Trustee and Chairman of the Rayne Foundation. He also has considerable experience in technology investing (including an interest in Imperial Innovations plc through LMS Capital) as well as a very strong track record in property investment.
Further details are set out in the biography attached at Annex A(1). The Board considers that
the Hon. Robert Rayne would be a strong addition to the College Fund Board and the
Council is therefore asked to consider and, if it sees fit, approve his appointment as the
second external member.

CONSOLIDATED PERFORMANCE

11. At the consolidated level, the Assets under the Management of the College Fund
Board started the year with a value of £209.1M. During the first quarter new net additions
and appreciation have increased this value to £243.8M. A breakdown of the performance for
the Unitised Scheme and the Special Circumstances Portfolio is set out below:

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Notes</th>
<th>Opening</th>
<th>Added</th>
<th>Realised</th>
<th>Appre.</th>
<th>End Q1</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unitised Scheme</strong></td>
<td>A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Equities</td>
<td></td>
<td>£53.9M</td>
<td>£0.0M</td>
<td>£0.0M</td>
<td>£2.0M</td>
<td>£55.9M</td>
<td>£2.0M</td>
</tr>
<tr>
<td>Property</td>
<td></td>
<td>£5.9M</td>
<td>£0.0M</td>
<td>£5.7M</td>
<td>(£0.2M)</td>
<td>£0.0M</td>
<td>(£5.9M)</td>
</tr>
<tr>
<td>Absolute Return</td>
<td></td>
<td>£7.4M</td>
<td>£0.0M</td>
<td>£0.0M</td>
<td>£0.0M</td>
<td>£7.4M</td>
<td>£0.0M</td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td>£1.6M</td>
<td>£6.0M</td>
<td>£0.0M</td>
<td>£0.1M</td>
<td>£7.7M</td>
<td>£6.1M</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td>£68.8M</td>
<td>£6.0M</td>
<td>(£5.7M)</td>
<td>£2.2M</td>
<td>£71.0M</td>
<td>£2.2M</td>
</tr>
<tr>
<td><strong>Special Circumstances Portfolio</strong></td>
<td></td>
<td>£111.5M</td>
<td>£0.0M</td>
<td>(£0.0M)</td>
<td>(£1.5M)</td>
<td>£110.0M</td>
<td>(£1.5M)</td>
</tr>
<tr>
<td>Imperial Innovations plc</td>
<td>B</td>
<td>£27.8M</td>
<td>£27.9M</td>
<td>(£9.3M)</td>
<td>£9.3M</td>
<td>£55.7M</td>
<td>£27.9M</td>
</tr>
<tr>
<td>Non-Core Property</td>
<td>C</td>
<td>£1.0M</td>
<td>£9.3M</td>
<td>(£3.4M)</td>
<td>£0.2M</td>
<td>£7.1M</td>
<td>£6.1M</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td>£140.3M</td>
<td>£37.2M</td>
<td>(£12.7M)</td>
<td>£8.0M</td>
<td>£172.8M</td>
<td>£32.5M</td>
</tr>
<tr>
<td><strong>Total of Portfolios</strong></td>
<td></td>
<td>£209.1M</td>
<td>£43.2M</td>
<td>(£18.4M)</td>
<td>£10.2M</td>
<td>£243.8M</td>
<td>£34.7M</td>
</tr>
</tbody>
</table>

HIGHLIGHTS REPORT

12. The following events were worthy of note in supporting the consolidated performance
noted above:

a. **Unitised Scheme.** The Unitised Scheme achieved a total return of 3.3% in
the quarter, with global equities performing well over the period delivering a 4.4%
total return. The performance was held back by property, which delivered a negative
return of 3.5%, but the decision to redeem the holding in the Charities Property Fund
during the quarter limited the impact on under-performance. As at the end of the
quarter the asset allocation for the Unitised Scheme was as follows:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Value</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equities</td>
<td>£55.9M</td>
<td>78.7%</td>
</tr>
<tr>
<td>Absolute Return Funds</td>
<td>£7.4M</td>
<td>10.4%</td>
</tr>
<tr>
<td>Cash</td>
<td>£7.7M</td>
<td>10.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£71.0M</td>
<td>100%</td>
</tr>
</tbody>
</table>

1. Annex A is not included with these Minutes
b. **Imperial Innovations.** The Fund supported Imperial Innovations, by making a commitment to co-invest with other institutional investors in a £30M fundraising to be completed on 21 November 2007. The Fund agreed to invest £3M to take 10% of the new shares on issue at £3.70 per share. Following the fundraising the Fund will then hold 52.3% of the enlarged share capital of the Company. The investment was made on the conditions that the College support the resolutions necessary to enable the issuance of the new shares at an EGM on 21 November 2007, and that Imperial Innovations can do nothing to result in the College’s interest in the Company falling below 50% without prior approval. Following the announcement of the fundraising, the share price in Innovations moved up to £3.75 per share, where it remains.

c. **Significant Property Transactions.** 47, Prince’s Gate was disposed of for £9M on 17 August 2007 and 63, Scotton Street was sold at auction for £241K on 17 September 2007 – increasing cash by just over £9M for the period. £27.9M in additional non-core asset transfers were also completed in the quarter, the Transfer values being calculated based on Red Book Valuations provided by Savills. The most significant properties involved were 46-48, Prince’s Gardens, with a current use valuation of £15.7M, and the Prospect Site and College Farm at Wye. Planning gains and market revaluations of the assets within the Special Circumstances Portfolio added a further £9.3M in value over the period, including a gain of over £1M in relation to planning permissions for the non-core properties on the Silwood Campus. £3M was committed to the acquisition of the CABI Building, which will enable Silwood Manor to become non-core in the short term. Finally, two major new tenancies were completed in the period: a ten-year Farm Business Tenancy for College Farm at Wye, realising a net income of c. £100K per annum; and the let of Ian Carruthers and Bexley Houses on commercial terms to SOAS at a rent of £82K per annum.

**REVIEW OF ASSET MANAGEMENT**

13. The Board has initiated a review of the asset management strategy for the Unitised Scheme. Over the last two years the approach has moved towards active decision-making at the asset allocation level, but with passive management of the underlying assets. At the end of the quarter 51% of the assets where being passively managed and 38% actively managed – with the balancing 11% being held as cash. The purpose of the review is to assess the options for increasing the level of active management, with consideration to be given to the potential performance benefits, the impact on volatility, and the associated costs.

S.N.
PAPER H

HONORARY DEGREES, FELLOWSHIPS AND ASSOCIATESHIPS
RECOMMENDATIONS FOR 2008

A Note by the Rector

1. The Management Board met on 2 November 2007 to consider, in accordance with Ordinance B2 (attached at Annex A), nominations for the conferment of Honorary Degrees and for the conferment of the Fellowship and Associateship of the College. The Chairman of the Council joined the Board for the discussion of the nominations.

HONORARY DEGREES

2. The Management Board makes the following eight recommendations to the Council for the award of Honorary Degrees of the College (the nominations are listed in alphabetical order):

   a. **Professor Dame Carol Black DBE, CBE**.

      Immediate Past-President, Royal College of Physicians

      Educated

      University of Bristol

      Citation:

      The Board recommends the conferment of an Honorary Degree of Doctor of Science (Medicine) on Professor Dame Carol Black in recognition of her pioneering work in the field of systemic sclerosis.

   b. **Professor Sir Tim Berners-Lee**.

      Chair of the Computer Science Department at the University of Southampton

      Educated

      Queen’s College, Oxford University

      Citation:

      The Board recommends the conferment of an Honorary Degree of Doctor of Science on Professor Sir Tim Berners-Lee in recognition of his contribution to the communication and computing industries and to the advancement of science.

   c. **Professor Christian Bréchot**.

      Executive Director of the French National Institute for Health and Biomedical Research
Citation:

The Board recommends the conferment of an Honorary Degree of Doctor of Science (Medicine) on Professor Christian Bréchot in recognition of his contribution to the understanding and treatment of viral hepatitis and liver cancer.

d. **Sir William Castell.**

Chairman, the Wellcome Trust

Educated

City of London College (City University)

The Board recommends the conferment of an Honorary Degree of Doctor of Science on Sir William Castell in recognition of his contribution to life sciences.

e. **Madame Anne Lauvergeon.**

Présidente du Directoire, Société AREVA

Educated

École Normale Supérieure, Paris

The Board recommends the conferment of an Honorary Degree of Doctor of Science on Madame Anne Lauvergeon in recognition of her outstanding contribution in the fields of energy and nuclear power.

f. **Dr Janez Potočnik.**

European Commissioner for Science and Research

Educated

University of Ljubljana

The Board recommends the conferment of an Honorary Degree of Doctor of Science on Dr Janez Potočnik in recognition of his contribution to the promotion of science and research.
The Board recommends the conferment of an Honorary Degree of Doctor of Science (Engineering) on Sir John Rose in recognition of his outstanding contribution to industry and engineering.

The Board recommends the conferment of an Honorary Degree of Doctor of Science on The Lord Wolfson in recognition of his outstanding contributions to the advancement of health and education.

FELLOWSHIPS

3. The Board agreed to make the following two recommendations to the Council for the conferment of Fellowships during 2008:


Alcoa Professor, Departments of Materials and of Mechanical Engineering, University of California, Santa Barbara

The Board recommends the conferment of Fellowship on Professor A.G. Evans in recognition of the key contribution he has made in the fields of Materials Science and Engineering.

b. Professor David Phillips.

Professor Emeritus, Senior Research Investigator, Imperial College
Former Dean and Head of the Department of Chemistry, Imperial College

The Board recommends the conferment of Fellowship on Professor David Phillips in recognition of his leadership and contribution to the advancement of the College's academic and research programs.
The Board recommends the conferment of Fellowship on Professor David Phillips in recognition of the outstanding contribution he has made in the field of Chemistry and to the life and work of Imperial College over a sustained period.

ASSOCIATESHIPS

4. The Management Board makes the following two recommendations to the Council for the conferment of Associateships during 2008:

a. **Ms Anne Barrett.**

College Archivist and Corporate Records Manager

Educated

University College London

The Board recommends the conferment of Associateship on Ms Anne Barrett in recognition of the significant contribution she has made to the life and work of Imperial College.

b. **Mrs Diana Patterson-Fox.**

Until recently Academic Administrator for the Department of Environmental Science and Technology (now the Centre for Environmental Policy)

Educated

University College London

The Board recommends the conferment of Associateship on Mrs Diana Patterson-Fox in recognition of the enormous contribution she has made to the life and work of Imperial College over a sustained period.

PROPOSED AMENDMENTS TO ORDINANCE B2

5. One of the nominations for the conferment of an Honorary Degree, the Lord Wolfson, is a Fellow of the College. However, Paragraph 5 of Ordinance B2 currently prohibits the award of an Honorary Degree to anyone who already holds an Honorary Degree or Fellowship. When considering this nomination, the Board took the view that honorary degrees should normally be conferred on persons of conspicuous merit, who were outstanding in their field, while the Fellowship of the College should normally be conferred in recognition of a person’s outstanding contribution to the College. As there was a clear distinction between the two awards, the Board did not believe that this prohibition was necessary, particularly as there was not a similar prohibition on recipients of honorary degrees also being elected as Fellows. The Board therefore agreed to recommend that this prohibition be removed from Ordinance B2.
HONORARY DEGREES, FELLOWS AND ASSOCIATES

1. The Council may confer any degree of the University on any person *honoris causa* (hereinafter referred to as 'honorary degrees') (1) and may elect as Fellows or Associates of the University persons of distinction and persons who have, in the opinion of the Council, rendered significant services to the University or to the community.

CONFERMENT OF DEGREES *HONORIS CAUSA*

2. An honorary degree may be conferred on persons of conspicuous merit, who are outstanding in their field or who have given exceptional service to the University.

3. An honorary degree shall not, save in exceptional circumstances, be conferred *in absentia*.

4. An honorary degree shall not be conferred posthumously. However, where the Council has formally resolved to confer an honorary degree on a person, and the death of that person occurs before the conferment takes place, the honorary degree shall be deemed to have been conferred, the date of the conferment being deemed to be the day preceding the date of death.

5. An honorary degree shall not be conferred on a person who already holds an honorary degree from the University, or on a person who is already a fellow or honorary fellow of the University.

6. An honorary degree conferred by the University shall be cited in the following form:

   Title of degree (Imperial College London) *honoris causa*, e.g. DSc (Imperial College London) *honoris causa*.

7. The Council shall prescribe the form of the diploma for those upon whom an honorary degree has been conferred and shall determine the procedures for inviting and considering nominations and the arrangements for conferring the degrees. It may also develop the criteria for the conferment of honorary degrees more fully, if it sees fit.

8. The Higher Doctorates that may be awarded are as follows:

   Doctor of Literature (DLit)
   Doctor of Literature (Education) (DLit(Ed))
   Doctor of Science (DSc)
   Doctor of Science (Economics) (DSc(Econ))
   Doctor of Science (Engineering) (DSc(Eng))

1. See Ordinance B1, Paragraph 1 for the list of degrees.
Doctor of Science (Medicine) (DSc(Med))

ELECTION AS A FELLOW OF IMPERIAL COLLEGE

9. Fellowships of the Imperial College may be awarded:

   a. To members or former members of the Council, the Court or of the previous Governing Body, to former members of staff or to former students of the Imperial College of Science, Technology and Medicine, who may be deemed eligible by reason of their outstanding achievements or of exceptional services rendered to the University;

   b. To other persons not members of the University who are of outstanding distinction in appropriate fields and whom the University wishes to honour.

10. In the criteria for Fellowship:

   a. “Achievement” should mean truly outstanding and “services” to the University truly exceptional;

   b. Former staff (who are not former students) should be selected mainly from those who have retired as Professors of eminence in their fields and especially those who have rendered special service to the University as Deans, Heads of Departments, etc.

11. A person who on his retirement was a member of the staff of the University should not be considered for election to Fellowship or for an Honorary Degree until one calendar year has elapsed since his retirement or since his appointment as Senior Research Fellow of the University.

ELECTION AS AN ASSOCIATE OF IMPERIAL COLLEGE

12. Associateships of the Imperial College of Science, Technology and Medicine may be awarded:

   a. To persons who have been members of the staff for a substantial period or who have retired from membership of the staff in any grade or category.

   b. To such former students or to such other persons, whether members of the University or not, as may be deemed eligible by reason of their having rendered exceptional service to Imperial College or having otherwise done something outstanding to enhance its reputation.

REVOCATION

13. The Council may revoke any degree, diploma, certificate or other award, qualification or distinction granted by the University and all privileges connected therewith, if it shall at any time be discovered and proved to the satisfaction of the Council that there was any irregularity in the events or circumstances leading to the grant of that degree, diploma, certificate, or other award, qualification or distinction and, in the case of degrees and other distinctions conferred honoris causa, for such reasons as shall satisfy the Council.

Approved by the Council 23 March 2007
Effective from 8 July 2007
1. The Remuneration Committee met on 4 October 2007 to review the remuneration of senior staff and to approve any increases.

2. The current membership of the Remuneration Committee is Lord Kerr (Chairman), Baroness Wilcox, Dr G Gray and Sir Peter Gershon, with the Rector in attendance for part of the meeting. The Committee was serviced by the Director of Human Resources.

3. The Committee considered in detail the remuneration of the Rector and those senior staff reporting directly to him. They also received information on the current remuneration and recent remuneration histories of senior staff in the College (professorial and senior administrative staff). Increases for these staff had previously been approved by the Rector in consultation with members of the Management Board following a process of discussion between Heads of Departments and Divisions, Faculty Principals and the Directors of the Administrative Divisions. These increases were noted by the Remuneration Committee.

4. Increases in remuneration approved by the Management Board and the Remuneration Committee were implemented in the October payroll.

5. The Committee also considered a paper which addressed some of the current issues relating to remuneration in the College. The Committee noted that local pay bargaining had edged salary levels ahead (albeit by a modest margin) of the rest of the sector and that the College had a healthily flexible approach to remuneration. Nowhere was this better exemplified than in the centenary bonus paid to all staff in July and in the SIF bonuses paid for the third year running to academic “stars” – both of which had been appreciated by recipients. Some issues of concern (pay relativities for senior non-academic managers and governance issues in respect of the USS) were being addressed though in the case of the latter influence, rather than direct action, was all that could be brought to bear.

C.G.
1. A brief update on major projects, approved plans and pipeline projects is set out below.

**APPROVED PROJECTS**

2. **Southside (£51M).** The Project has been completed ahead of budget by £3M, students moved in on time and the Hall has generally received a favourable press. The student social space opened on Halloween and is now operational. The Medical and Dental Practices have also taken occupation of their new space in the Southside Building.

3. **Eastside (£64M).** Demolition of Linstead Hall is progressing well and is on schedule to be completed before the end of the year. The tunnelling diversion for the sewer is nearing completion, which means that piling will commence on time in the New Year. The Project is still on target for £18.9M to be spent in the 2007/08 year.

4. **Library Building Phase 1a (£3.5M) and Phase 2 (£6.25M)**
   a. Phase 1 of the Library Project is now complete and new climate control equipment is in place.
   b. Phase 2, which will develop the ground floor of the Library, was delayed by unforeseen ground obstruction (the discovery of the old foundations for the original Imperial Institute building) to the piling. Completion in late Spring 2008 is now anticipated, with an expected overspend of £100 - £200K. £6.9M will be spent on both phases by year end 2007/08.

5. **Sherfield Building (£9M).** Completion of the light-well in-fills is imminent, with furniture now being installed. Departmental moves into the refurbished space will take place from mid-November to the beginning of December. £2.6M will be spent by the year end 2007/08.

6. **Mechanical Engineering Refurbishment.** The main South-East Quadrant (SEQ) Project is discussed under pipeline projects. However, the Project is proceeding and work on moving heavy equipment out of the annexe continues in good time to meet the needs of the Project.

7. **Huxley Lecture Theatre Refurbishment (£1.36M).** Phase 1 of this Project was completed during the summer vacation.

8. **Plant Replacement Project (£3.56M).** The plant replacement planned for 2006/07 (£1.06M) has been completed. The Portfolio Review Board (PRB) has approved a further £2.5M to be expended during 2007/08 on the replacement of plant equipment beyond its economic life.

9. **Burlington Danes (£56M).** GSK is now functioning in the East Building. The West Building is operating within Home Office guidelines and will be inspected imminently. A decant strategy has still to be agreed with the MRC for the CBS Unit, so that an operational cleaning regime can be instigated.
10. **Commonwealth Building (£17M)**. The refurbishment of Level 10 of the Commonwealth Building is nearing completion, while Level 8 will be re-occupied next month. The Level 1 interactive space and café is now in use, as is the bio-repository facility in the basement. Levels 7 & 5 will be the next to be refurbished.

11. **Wolfson Education Centre (£5.4M) and Imaging Centre (£5.5M)**. Both these projects are progressing on programme for completion in the Autumn of 2008.

12. **Burlington Danes Fit-Out (£7.4M)**. This Project is progressing towards completion on time in January 2008.

13. **Royal School of Mines (£21M)**. Projects on site are progressing well for Bio-Engineering and are due for completion by March 2008. Contracts for Fuel Cell (£1.15M) and Nanotechnology (£1.4M) are about to be awarded to contractors.

**PLANNED AND PIPELINE PROJECTS**

14. **Huxley Building**. Completion of the Instrumentation laboratories has been achieved and the toilets refurbishment is under way. The further investment of £20.5M on general upgrade is being aligned to give maximum advantage to the occupants and life to the building.

15. **Blocks L and J (£100M)**. The design to Stage ‘D’ of L Block is under way and to Stage ‘C’ for J Block, so that planning permission is gained prior to demolition. The intention now is to re-build L Block, but to leave J Block demolished with the site landscaped. The cost estimate for this whole Project is now some £100M. Agreement has been reached with the new Imperial College Healthcare NHS Trust to decant from Blocks J and L. It is intended to have both buildings decanted by December 2008, allowing decommissioning and demolition to commence then. Funding from the MRC and Wellcome still stands at £20M. Further funding will be sought before committed commencement.

16. **St Mary’s Campus Triangle Site Rejuvenation (£30M)**. The Imperial College Healthcare NHS Trust has made alternative arrangements for the Royal College of GPs. The College is now reviewing the use of this redevelopment site for graduate medical teaching. Architects have been appointed to assist with feasibility planning.

17. **South-East Quadrant**.
   a. The SEQ viability study has now produced a concept to add around 6,500m² to the Skempton Building and workshops. On the Exhibition Road site three options are being considered to add up to a maximum of 15,000m² of space and these are being tested for impact on the surrounding buildings.
   b. A briefing process has taken place and spatial requirements for Aeronautical Engineering, Mechanical Engineering, Civil Engineering and the Business School have been identified. Arup have now been appointed as Project Managers and a programme developed, commencing with decant of the concrete testing labs in Skempton and construction of two lecture theatres prior to demolition of the Mechanical Engineering Annexe.

M.P.K.
PAPER K

MINUTES OF THE SENATE

A Note by the Rector

1. The Minutes of the Meeting of the Senate held on 31 October 2007 are attached. (1) The following points are drawn to the attention of the Council.

MINUTE 1060 – PRO RECTOR FOR EDUCATION’S REPORT

2. The Senate received the draft report from the Quality Assurance Agency on the mid-cycle follow up to the institutional audit. The Report consisted largely of extracts from the College’s own submission to the QAA and raised no issues for concern.

MINUTES 1061 AND 1062 – REVIEWS OF RESEARCH TRAINING IN THE DEPARTMENTS OF CHEMISTRY AND EARTH SCIENCE AND ENGINEERING

3. The Senate received overall positive reports from the Quality and Academic Review Committee on research training in the Departments of Chemistry and Earth Science and Engineering, and asked the Departments to report back to it in twelve months’ time on action taken in response to the Reports.

MINUTE 1065 – A REVISED MODEL FOR MASTERS’ DEGREES AT IMPERIAL COLLEGE

4. The Senate was advised that, as part of the exercise of reviewing the College’s undergraduate and postgraduate programmes and assigning European Credit Transfer System (ECTS) units with a view to ensuring and promoting compatibility with first and second cycle Bologna awards, a need had been identified to clarify and expand the number of models for Masters’ degrees from the current two; that is, integrated Masters’ courses leading to the award of MEng and MSci degrees, and free-standing one year Master’s courses leading to the award of MSc, MRes, MBA, MEd and MPH.

5. The Senate noted that two formats currently existed for the integrated Masters’ degree; one providing 240 ECTS units and one providing 270 ECTS units. It approved the proposal that both formats be recognised as separate models for the degree.

6. The Senate also approved the proposal that an additional model for the free-standing Masters’ degrees be introduced. The new model would enable the establishment of Masters’ degrees of two academic years’ duration and was being introduced to allow departments to participate more readily in double or joint programmes under ERASMUS Mundus or other arrangements with high quality universities. It would initially only be available for joint programmes with external universities, but once the position concerning European recognition of the College’s 12 month Masters’ courses had been clarified and stabilised, the College might wish to consider extending the two academic year Masters’ model to internal degrees.

1. The Senate Minutes are not included with these Minutes.
PAPER L

FOURTH ANNUAL REPORT BY
THE EQUAL OPPORTUNITIES AND DIVERSITY COMMITTEE (EO&DC)

A Report by the Chair of the EO&DC

INTRODUCTION

1. This fourth Annual Report covers the period July 2006 to July 2007 and its purpose is to:

   a. Section 1. Highlight the major activities which have been undertaken during the period;

   b. Section 2. Assess where significant improvements are required;

   c. Section 3. Identify our future priorities.

SECTION 1

HIGHLIGHTS OF MAJOR ACTIVITIES

2. Section 1 addresses the six equality strands, namely: age, disability, gender, race, religious belief and sexual orientation. Clearly, however, these strands are linked because inequalities tend to be clustered. Additionally, this Section covers general equality and diversity activity.

AGE EQUALITY

3. In late 2005 we established our Working Group on Age in order to prepare for the legislation that came into effect in October 2006. A comprehensive communications campaign was devised to get the message across to staff and students about the legislation’s implications and its day-to-day effects. A series of lunchtime “Age Information Points” were held at all campuses, where staff and students had the opportunity to get clarification on any aspect of the legislation and also to be briefed on what changes the College was making. Staff were invited to attend discussion groups to determine whether they had experienced age discrimination at Imperial and to consider whether age-related issues had affected their work. The feedback obtained from these helped to ensure that the Working Group was addressing the most important processes and procedures. (Concerns focused on recruitment and gender for older staff and progression and promotion for younger staff).

4. We worked with the “owners” of College policies and procedures to examine them in detail to ensure that they did not contain age bias, that they were demonstrably age neutral and that they did not portray old or young stereotypes. Our staff development courses were changed where necessary – for example, on recruitment and selection and use of language workshops - and an entirely new Retirement Procedure was introduced.
DISABILITY EQUALITY

5. Ensuring access and equality of opportunity and treatment for those with disabilities are the fundamental principles underlying our Disability Equality Scheme and associated Action Plan (published in December 2006 in line with legislative requirements):

https://www.imperial.ac.uk/spectrum/hr/hr_info/equality/disability/

6. In order to minimise and eradicate negative experiences that disabled staff and students might encounter, activity has concentrated upon staff training (e.g. the provision of practical guidance on dyslexia, autism, etc., and disability equality briefings), the learning and teaching environment, web accessibility, staffing matters, sport and leisure services, and buildings and design.

7. Of particular note is the extensive estate-related activity which ensures that access issues are a major priority for refurbishments and new build projects on all campuses. One example is Southside Hall of Residence which has a significant number of specially adapted rooms for students with mobility and other impairments. This accommodation will be attractive to all visitors, including those with disabilities, who can use these facilities during vacations.

8. Coordinated from the Centre by the Disabilities Officer, the Departmental Disability Liaison Officers continue to play a vital role in helping to embed positive, local support for students with disabilities. They also provide a valuable source of information so that we are able to learn from, and build upon, their experiences.

GENDER EQUALITY

9. The Equality Act 2006 placed a statutory duty on the College to have a Gender Equality Scheme (GES) and associated Action Plan. Ours was published, as required, in April 2007 (https://www.imperial.ac.uk/spectrum/hr/hr_info/equality/gender/). The aim of our GES is to continue to build gender equality into all relevant aspects and functions of our work. Our Action Plan for 2007-2010 concentrates upon our priority areas of employment and educational provision. Our objectives for these two areas were formulated taking into account the College’s Strategic Objectives, major findings from qualitative and quantitative date, and feedback from consultation.

10. Our GES also contains a detailed résumé of recent activity in relation to promoting an increasingly positive and inclusive working and studying environment. Highlights include:

a. A significant investment in our Early Years Education Centre, which has resulted in a doubling of the number of places and thus has benefited male and female parents who are either staff or students. The decision to expand was also a key plank of our attraction strategy for female academics because of the importance they place upon work-based childcare.

b. Activities under the auspices of the Academic Opportunities Committee which included:

(1) Information sessions for both men and women on all aspects of the academic promotions process.

(2) The establishment of Faculty Ambassadors for Women – senior female academics who act as a conduit and contact for information in order to provide local support.
(3) Centenary-related events to celebrate the achievements of female scientists.

(4) Actions at departmental/ divisional level that build upon the recognition given to the College through the 2006 Athena Silver Scientific Women’s Academic Network (SWAN) Award.

(5) Simplifying the Elsie Widdowson Fellowship Awards and extending the benefit to all female academic staff who return from maternity leave so that they may concentrate on their research for twelve months (previously six).

c. Activities targeted at research staff and postgraduates whereby the Pro-Rector for International Affairs works with the Graduate Schools, the Roberts’ Project and the Inspire Project to provide innovative professional and career development programmes and mentoring, coaching, career counselling. Some events have been designed specifically for females where it has proved positive to have single gender activities.

d. Particularly high gender segregation in science and engineering predominantly affects students, academics and research staff, but we are keenly aware that we must promote gender equality amongst staff in Support and Academic Services as well. Actions include equal pay reviews; monitoring the results of promotions; being responsive to requests for flexible working from both men and women; promoting “no tolerance” to bullying or harassment; and providing comprehensive personal development opportunities.

e. Networking events for female students and female support staff have called upon internal and alumni role models to share their experiences and inspire self-confidence and high achievement.

RACE EQUALITY

11. Imperial as One, the College’s black and minority ethnic (BME) advisory group, had its second anniversary in July 2007. This event celebrated key achievements over the past year and photographs were on display.

12. Supported by HR, Imperial as One spearheaded many events and activities during the period covered by this Report. Particular highlights were:

   a. The introduction of Creative Futures – Achieving Your Potential as a contribution to our widening participation work. This interactive learning day was designed to encourage BME schoolchildren to aim high, and to enthuse them about science, engineering and higher education. (The initiative has continued with two further days being held in October 2007).

   b. The above, held in October 2006, was part of our Black History Month activities. Two other events also promoted good practice in race relations and equality, showcasing BME talents and forging links with local communities and organisations – a Sharing Knowledge and Good Practice Symposium and an evening of music and drama paying tribute to Mary Seacole. Diwali is being celebrated this year.
c. Imperial as One organised a Student Forum *Marketing Yourself Creatively*, which was held in January 2007 and aimed at BME students. The session provided practical CV writing advice and guidance from top city recruiters, and participants benefited from hearing Imperial academic staff discuss their links with business and industry.

d. Social events aimed at celebrating diversity and bringing people together, such as celebrating Chinese New Year in February 2007 and dancing and comedy at SPLASH in March 2007.

13. Imperial as One members continued to act as mentors and guest speakers to encourage others. The structured mentoring programme, together with individual attendance at personal development courses, has also been beneficial. In addition, a Research Group has been established with a remit to gather evidence and make recommendations for influencing and progressing race equality in College.

14. The College’s Director of Access continues to lead and develop our admissions strategy. This includes the Outreach Programme, which aims to increase educational aspirations in boys and girls. The areas in which the College works include many with high BME populations. Approximately 100 schools are visited annually and over 27,000 pupils and about 5,000 parents have been involved over the past five years. Our widening participation projects such as INSPIRE, METRIC, Pimlico Connection, Student Shadowing and e-mentoring schemes are designed to encourage pupils to fulfil their potential through access to higher education.

**RELIGIOUS BELIEF EQUALITY**

15. While recognising that the College is a secular organisation, in line with legislation and our aim to promote equality and diversity, we are committed to respecting the different faiths that are held by our students and staff. For example:

a. The College Chaplain liaises and works with other faith leaders in the community. These links are advertised to staff, students and to new personal tutors. The Chaplain and Pro-Rector (Educational Quality) also considered and responded to the issues raised in the Government-commissioned Siddiqui Report “Islam at Universities in England”.

b. Case studies are used in a wide range of formal training sessions and these help to underpin information on the law and what constitutes unacceptable behaviour, and to raise awareness and expertise in recognising discrimination and harassment on the grounds of religious belief;

c. Information about faith issues in the workplace are presented to new staff at corporate inductions, e.g. scenarios are used to trigger discussion and reflection and expert commentary is provided from a legal and best-practice perspective.

16. Ensuring fair and equal treatment is vital during the allocation of accommodation to students. Following student feedback in the 2006 Pastoral Survey, our Residences Services identified that they needed to recognise religious belief more fully and, for example, responded positively to requests from female Muslim students to be accommodated together and to have sole use of bathroom and kitchen facilities.
SEXUAL ORIENTATION EQUALITY

17. A Lesbian, Gay and Bisexual (LGB) Advisory Group has been formed and meets regularly. Membership has grown rapidly and close links have been formed with the Students’ Union IQ Group.

18. As a Stonewall Diversity Champion, the College participated in the 2007 Workplace Equality Index for the first time. We gained a score of 54 (a score of 63 is required to be in the top 100 employers). In order to increase our score, we need to have more public examples of support for gay staff and students, include sexual orientation more obviously in our policies and procedures, and include monitoring. The latter has been achieved partially via the Recruitment Monitoring form (which also now asks applicants to disclose their religion if they wish). We are waiting for technological changes to go live in order to invite current employees to disclose this information if they wish.

GENERAL ACTIVITY

19. **Staff Development Access.** In 2005/06 21% of attendees on College-organised staff development workshops were from a BME background. (77.7% declared their ethnicity as White and 1.3% were unknown). This is approximately equivalent to the overall staff profile for that year. (19.1% of those who have declared their ethnic origin are BME, 75.1% White and 5.8% unknown). There was no significant percentage difference between all of the ethnic groups in relation to uptake, e.g. 50% of Chinese staff, 56.2% of Black staff, 46.9% of White staff were attendees. In relation to gender, 41.9% of staff were female in that year and they accounted for 56.2% of attendees. This gender discrepancy needs to be examined to identify if there an access problem for some men, or whether more women than men are in roles where updating is required, or more women than men value development.

20. **Communications, Public Relations and Consultation.** Activity has been extensive. Highlights in addition to those already mentioned include:

   a. The third Annual Diversity Lecture, given in February 2007 by Trevor Phillips, who asked whether we are a nation at ease with diversity; he called upon scientists to help provide and analyse data to measure the causes of bias in order to address inequalities.

   b. The May 2007 Athena Lecture given by Professor Dame Julia Higgins, then Principal of the Faculty of Engineering, who gave a résumé of her career and the achievements of the Academic Opportunities Committee, which she chaired and of which she was a founding member.

   c. Discussion groups have helped to inform the questions that will be asked in the College’s staff survey and focus groups of men and women were run to inform our Gender Equality Scheme.

   d. Our advisory groups, e.g. Imperial as One, LGB and Disability Groups, have provided us with ideas for future activities, information on their experiences of being staff or students at Imperial and have contributed to setting priorities.

   e. Articles about equality and diversity activity in the *Reporter* and our revamped equality pages on Spectrum.

   f. The Tanaka Business School hosted *Diversity in Leadership* and *Diversity and Gender* events.
21. **Working with the Local Community.**

a. The Volunteer Centre has continued to ensure that many local community projects address equality issues. Four notable projects were established in the last year: the *Science Club Project* which focuses upon providing educational activity for BME women; the *Independent Monitoring Board Project* (connected to the Home Office) where volunteers monitor detention conditions and the treatment of detainees; the *African Group Project*, run by Look Ahead Housing Association; the *English Language Support Project* which provides language sessions for overseas students and research staff and also fosters cultural interaction between people from different backgrounds.

b. These are successful examples of corporate social responsibility which promote equal opportunities and help to eliminate discrimination. The College allows staff time away from work to attend, activities are developmental for those who participate and the College’s profile is enhanced within the local community. The latest volunteer profile (1,082 people at 1 June 2007) has not changed much from last year - 60% female, 10% staff, 63% undergraduates, 20% PhD students, 3% alumni or family members (4% undisclosed). Of those students, by fee status, 47% were home, 44% were overseas and 9% were EU.

22. **Harassment and Bullying.** The Harassment and Bullying Policy has been revised, taking into account the experiences of those who have complained of harassment and those who provide guidance and support, *e.g.* the unions, HR and the Harassment Support Contacts (HSC). The HSC booklet was updated in September 2006 to include the details and photographs of newly-trained Contacts, some of whom are managers.

**SECTION 2 – ASSESSING WHAT IMPROVEMENTS ARE REQUIRED**

**MONITORING**

23. We continue to monitor an extremely wide range of data sets to analyse trends and this monitoring activity is undertaken predominantly by HR and Registry. Monitoring improvements are required to:

a. Identify whether there are patterns of inequality, *e.g.* data are collected but sometimes there is insufficient analysis so that it is not possible to feed the results into our decision and policy-making processes.

b. Disaggregate more of our current data so that we can identify if there are clusters of inequality; for example, analyse the impact of a particular procedure on BME, male, disabled students rather than just considering data that look at one or two aspects.

c. Provide Heads with constructive data so that they can be more proactive locally.
REPRESENTATION

24. Our student population is ethnically diverse. For those students who have disclosed their ethnic origin, 44.2% of the 2006/07 intake (43.7% in 2005/06) represent 13 separate BME groups. Of these, the largest groups are Indian and Chinese, with 11.1% and 10.9% of the total known student population respectively, and with Black students making up 5%. While the number of BME students is increasing, however, we are not making much progress with one of our workforce composition targets, to improve the ethnic diversity of academic and research staff so that it better reflects that of our students. Even recognising that this is an ambitious target, BME academic and research staff accounted for 19.7% of the total in 2005/06. We will continue to aim to meet this target by focusing upon recruitment, development and retention strategies.

25. The number of female students is increasing, e.g. 4,553 (2005/06) and 4,814 (2006/07) but the percentage of female to male students has remained static at 37%. There are also considerably more male than female students in the Engineering and Natural Sciences Faculties. We will continue to tackle this by our widening participation activities, and assessing programme content and teaching methods to break down stereotyping so that both female and male students report that course content is stimulating, and that both continue to be encouraged to consider engineering or science as a career.

26. The Equal Opportunities and Diversity Committee agreed specific race equality targets for the period March 2007 – March 2008. One target was to increase the representation of BME staff across all job families by 1% on the November 2006 figure (20.5%) and to increase BME representation in the more senior roles (1%); the figures for both have been static for two years. Another target focused upon increasing the uptake of BME staff on recorded College staff development activities by 1% on the 2005/06 figure and, importantly, with BME staff reporting to us that they have been able to put their learning into practical use. Attendance figures are as follows: in 2004/05, 18.4% of those with a declared ethnic origin had a BME background; in 2005/06, this figure had increased to 21%.

27. Analysis of our workforce composition shows that there is also poor representation of women in senior management; these figures have not improved in the last year. As part of our equal pay review, we will be conducting a recruitment and selection study to identify, for example, if we are attracting female and BME applicants for the more senior roles and, if we are, why they are not being appointed. This activity will take place alongside our regular monitoring of promotions, which is another factor which can affect progression and turnover significantly.

LOCAL RESPONSIBILITY

28. We have not succeeded in achieving one of the Management Board’s recommendations from its consideration of last year’s Annual Report, i.e. to have a nominated person in each Department/ Division who is responsible for moving the equality agenda forward. We have found that staff are more responsive to being responsible for a specific equality strand, e.g. disability or academic women, etc. Although there is a risk that this could result in a lack of coordinated impact across the College with Heads unable to focus actions upon one individual, it might be more effective in practice. This will need to be kept under review.
IMPACT ASSESSMENTS

29. We have not achieved cross-College mainstreaming of impact assessment at the policy formulation or revision stage. We need to provide user-friendly guidance and devise more watertight documentary mechanisms to give us evidence that impact assessments have been undertaken, and that action is being undertaken to deal with any adverse effects that may have been identified during the analysis.

RESPONDING TO THE DISABILITY RIGHTS COMMISSION (NOW THE EQUALITY AND HUMAN RIGHTS COMMISSION)

30. Following a complaint to the Disability Rights Commission (DRC) by a former disabled student, the College has been required to review its procedures and practices in relation to disabled students. Specifically, we were asked to review the accessibility of the website and to examine how our policies and procedures reinforce, or breach, data protection, confidentiality and dissemination of information.

31. We commissioned an expert on disability issues, who is an ex-academic, to undertake the Review. The first part of the Review, relating to the website, has been completed and an in-depth “strengths and weaknesses” analysis has been conducted in conjunction with disabled students and key staff. Seven recommendations have been proposed to the new Pro-Rector (Education). In short, while those individuals responsible for disabled students take their duties extremely seriously, some procedures need to be updated and made more explicit in order to ensure better coordination. The Equality and Human Rights Commission (EHRC) experts have been supportive throughout and we will continue to work closely with them to ensure that the necessary actions are implemented. Part 2 of the Review will be conducted in the latter part of this year.

32. In addition to the Review for the EHRC, the retiring Disabilities Officer has also identified a need for enhanced coordination by the Centre for both staff and students on the outlying Campuses. More proactive local action is required to ensure compliance with the College’s policies and procedures, particularly in laboratory settings. Initially, the new Disabilities Officer will work with HR and Departmental Disability Liaison Officers to plan how these gaps can be addressed.

SECTION 3 – FUTURE PRIORITIES

33. Our priorities in the coming year are to:
   a. Address the areas that require improvement outlined in Section 2 above.
   b. Implement the Disability Equality Scheme Action Plan.
   c. Implement the Gender Equality Scheme Action Plan.
   d. Implement positive action initiatives to address under representation and promote greater retention.
   e. Increase the number of equality and diversity activities designed for senior staff to ensure that they are aware of their responsibilities.
f. Work with a particular faculty on setting specific equality targets and support follow-up action.

MANAGEMENT BOARD CONSIDERATION

34. This Report was considered and approved by the Management Board at its meeting on 2 November 2007. The Board noted that the College continued to make steady progress in promoting equal opportunities and diversity; that the Annual Diversity Lecture and the Athena Lecture had both been very well attended; and that there had been a number of events organised under the banner “Imperial as One”, which had also been very successful. The Board was also advised that the Registry and the HR Division both collected a significant amount of monitoring data on the ethnic diversity of the College population, but that neither currently had the resources to undertake an in-depth analysis of these data. The College now had a choice of how to develop and promote the diversity agenda in the future. It could seek to push this agenda as a strategic priority. However, this would require a substantial increase in the resource devoted to this activity and there was a risk that this could be counter-productive, in that the level of resource required to achieve this degree of rapid cultural change could be viewed as disproportionate and might lead to resistance from some staff and students in the College. The alternative was for the College to maintain the current level of incremental progress, with strong support from senior management as at present.

35. The Management Board noted the major activities which had been undertaken and the areas which had been identified as still requiring improvement in the Report and agreed that, as good progress was being made, the College’s current approach should be maintained.

COUNCIL CONSIDERATION

36. The Council is asked to:

   a. Note the findings of this Annual Report and the comments by the Management Board;

   b. Highlight any issues that members consider to be of particular importance.

Professor David Begg
Chair of the Equal Opportunities and Diversity Committee
1. Ordinance A7 defines the powers, functions and membership of the Court and also sets out the appointment procedures for its members.

2. As a result of recent changes in the College, some minor changes are required to the appointment procedures for the elected members of academic and non-academic staff (Paragraph 6 of Ordinance A7). The first is to reflect the change in status of the Humanities Programme, which has now become the Department of Humanities. The second is to remove the term ‘permanent’ from the definition of the academic and non-academic staff entitled to take part in elections to the Court and also to remove the term ‘temporary lecturers’, which is no longer applicable within the College. The effect of this change will be to confirm that members of staff on fixed-term contracts have the same rights to take part in these elections as staff on permanent contracts.

3. The proposed changes to Paragraph 6 of Ordinance A7 are set out below:

“6. **Elected Members of Staff**

a. **Members of the Academic Staff**

(1) Persons elected by the academic staff of the University from among their number to be members of the Court shall be members of, be elected by, and shall represent the interests of the Engineering, Science and Medical staff of the University.

(2) Engineering staff shall comprise those academic staff employed in the Faculty of Engineering, and the Business School.

(3) Science staff shall comprise those academic staff employed in the Faculty of Natural Sciences and the Department of Humanities Programme.

(4) Medical staff shall comprise those academic staff employed in the Faculty of Medicine.

(5) In the event of any uncertainty or dispute, the Rector shall have the authority to determine to which category a member of staff shall be deemed to be associated for the purpose of these elections.

(6) Academic staff entitled to vote for representatives of their academic grouping to be members of the Court shall be those academic staff who are permanent employees of the University with the status of Professors, Readers, Senior Lecturers and Lecturers but excluding Probationary and Temporary Lecturers.

b **Members of the Non-Academic Staff.** Persons elected by the non-academic staff of the University by and from among their number to be their representatives on
the Court shall be permanent employees of the University in the Professional Services, Technical Services and Operational Services Families and Research Assistants inclusive.”

4. The Council is invited to consider and, if it sees fit, to approve the amendments proposed above.

R.F.E.
PAPER N

DATES OF FUTURE COUNCIL MEETINGS

A Note by the Clerk

1. As previously agreed, each year the Council reviews the dates of its Meetings for the next three years, while also agreeing those for a fourth year in principle.

3. Attached at Annex A is a revised schedule for Council Meetings for the years 2008-09 to 2011-12. The Council is invited to consider and, if it sees fit, approve the dates for future meetings as set out in Annex A.

R.F.E.
## PROPOSED DATES FOR COUNCIL MEETINGS 2008 – 2012

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