MINUTES OF THE PROCEEDINGS

at the

Eighth Meeting of the

COUNCIL

of the

IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Eighth Meeting of the Council was held in the Dining Room, 170 Queen's Gate, South Kensington Campus, at 10:00 a.m. on Friday, 13th February 2009, when there were present:

The Lord Kerr of Kinlochard (Chairman), Professor D.K.H. Begg, Mrs. P. Couttie, Professor M.J. Dallman, Mr. B. Gidoomal, Dr. G.G. Gray, Ms. C. Griffiths, Professor C.J. Isham, Dr. M.P. Knight, Professor Sir Peter Knight, Mr. J. Newsum, Ms. K. Owen, Professor S.M. Richardson, The Lord Tugendhat, the Baroness Wilcox, the President of the Imperial College Union and the Rector together with the Clerk to the Court and Council.

Apologies: Sir Peter Gershon, Mr. S. Newton and Professor S.K. Smith.

In attendance: The Assistant Clerk to the Court and Council.

CHAIRMAN'S BUSINESS

1. The Chairman opened the Meeting by reporting on the results of his discussions with external members of the Council and also on a Meeting of the Nominations Committee that had taken place that morning. In his view, and that of the Committee, there was a need for greater clarity about the Council's role and how it should be utilising the specific skills of each member before a decision was made about replacing members of the Council. He suggested a number of measures which would help to clarify the Council's role, while also providing it with a wider pool of talent on which it could draw.

ACTION: THE CLERK

2. Firstly, he said, he believed that it would be beneficial for the external members to supplement the normal Council meetings with a series of more informal meetings. He proposed that the first such meeting should be held on Friday, 20 March when the external members could discuss with the Rector the College's response to the recession, and its developing international strategy. He stressed that, as this was an informal meeting, and was being set up at relatively short-notice, he did not expect that all members would be able to attend; however, he hoped that most would be able to come. Further informal meetings for the external members would be arranged in due course.

3. The Chairman then said that he felt that the Council Agendas currently contained too many items that were primarily intended to provide information and that these were restricting the time available for discussion of more important strategic items. Clearly, Council members needed to be kept in touch with developments at the College, but he thought that there might be other ways to achieve this, such as the more regular circulation of written material outside the normal Council cycle. He asked the Clerk to think about how this might best be achieved.

ACTION: THE CLERK
4. The Chairman then moved on to the membership of the Council itself. He reminded members that this had last been reviewed in 2005, when the number of internal and external members had been reduced to nine and ten respectively. He now believed that the ratio was sub-optimal and that the Council would benefit from having up to fourteen external members, with the number of internal members remaining at nine. If this increase was agreed, he said that the Nominations Committee had identified four candidates who could then be invited to join the Council. The proposed candidates were:

The Lord Tugendhat, already making a key contribution as an “observer”, to regularise his status as a Council member.

Sir David Cooksey, venture capitalist, former Chairman of the Audit Commission, a former director of the Bank of England and Governor of the Wellcome Trust as well as the former Chairman of Diamond Light Source Ltd.

Baroness Manningham-Buller, former Director General of the Security Service, now a governor of the Wellcome Trust.

Ms. Rachel Lomax, former Deputy Governor of the Bank of England and former Permanent Secretary of various government departments, now a non-executive director of HSBC plc.

The three new candidates had all confirmed their willingness to serve.

5. The Chairman recognised that this increase to the Council’s membership would require Privy Council approval, but if the Council agreed his proposal, he suggested that, while the Clerk made the necessary arrangements for the College’s Statutes to be so amended, the Council should invite the three new candidates to attend its meetings as Lord Tugendhat was doing, thus allowing them to gain an insight into the College before being formally appointed as members of the Council.

6. The Chief Operating Officer, Dr. Knight, said that the process of moving to a smaller Council in 2005 had been very valuable and had improved the effectiveness of the Council as a strategically-minded board. In his view, the issue was not the number of external members, but rather who was appointed to these positions. He had, he said, recently been comparing the membership of the College Council with those of the governing bodies of CalTech and MIT and had noted some significant differences. The external or non-executive members of these boards all had a significant science background and at MIT all the non-executive members were alumni. In contrast, very few of the external members of the Council had a science background and only one, Mr. Gidoomal, was an alumnus of the College. Dr. Knight suggested that this was a weakness that should be addressed.

7. Ms. Griffith said she agreed with the Chairman’s contention that there was a need for greater clarity on the Council’s role and suggested that this issue be resolved before any decisions on membership were made. To this end, she suggested that the proposed meeting on 20 March could spend some time on this issue.

8. While the Chairman agreed that there was a need for greater clarity on roles and responsibilities and that this could be discussed on 20 March, he would not wish to postpone a desirable strengthening of the Council, not least because further delays might result in the College losing some or all of the proposed candidates. Turning to the points raised by Dr. Knight, the Chairman said that, while he agreed that it would be preferable to have more external members with a scientific background, most of the internal members were distinguished scientists, so there was no lack of such
expertise on the Council as a whole: arguably what was needed was weightier complementary experience from different backgrounds – government, finance, business. With regard to the appointment of alumni, he and the Rector had tried to identify potential alumni who could serve in this capacity. However, those they had considered were currently directors of large companies who were not yet able to devote the necessary amount of time to the College.

9. Mr. Newsum said that he believed boards of directors worked best when the executive and non-executive directors were fully integrated. He did not believe that the Council was as well integrated as it might be and he agreed with Ms. Griffiths that some time could usefully be set aside to consider how this greater integration could be achieved.

10. The Rector said that he saw the role of Council as being akin to that of a non-executive board of a major company. The primary role of the non-executives was not to become involved in the day-to-day running of the Company, but rather to provide a constructive challenge to the Executive. Imperial College was much more like a business than many other UK universities and so this analogy was, in Imperial’s case, an apt one. The Rector also agreed that there was a need to keep external Council members informed of the work of the College, although he noted that a wealth of material was freely and openly available on the College’s web site. Finally, he suggested that the Council induction process might be reviewed to ensure that Council members were fully engaged with, and understood, the College’s ethos and character.

11. Ms. Owen said that one of the reasons US universities appointed alumni to their boards was because of their key role in fundraising. She queried whether this fundraising role was or should be a key consideration for the Council as well. If it was, she suggested that the current balance of membership might well be wrong. The Chairman said he believed that Council members did indeed have a role in fundraising and there was an argument that the Chairman of the College’s Development Advisory Board should be a member of the Council, although this was not currently the case. However, he cautioned against considering appointing members of the Council solely because they might become donors. In his experience, while such people were happy to have the recognition that such an appointment could bring, in practice they would have little time to devote to Council business and would be unlikely to attend meetings frequently. The College did not need ‘names on the note paper’, but rather people who would actively engage.

12. Bringing the discussion to a close the Chairman said that inviting the Nominations Committee’s preferred candidates to join the Council at this stage would not preclude further consideration of the various issues raised. He therefore felt there was no reason to defer their appointments. He hoped that, if the Council agreed, the proposed new members would be able to attend the Council's next meeting in May and, provided the necessary statutory changes could be agreed with the Privy Council, that they could be afforded full membership status as soon as possible thereafter. This was agreed.

13. The Clerk reminded members that amendments to the University’s Statutes would have to be approved by special resolution of Council with at least twenty one days notice.

Resolved: (i) That the increase in the number of external members of the Council from ten to up to fourteen, be approved in principle.

(ii) That, subject to Privy Council approval for the proposed increase in the membership of the Council, the appointment of the Lord
Tugendhat, Sir David Cooksey, Baroness Manningham-Buller and Ms. Rachel Lomax to the Council be approved.

(iii) That, until such time as Privy Council approval is given for the proposed increase in the membership of the Council, Sir David Cooksey, Baroness Manningham-Buller and Ms. Rachel Lomax should, like Lord Tugendhat, be invited to attend Council Meetings as observers prior to their formal appointment as governors.

MINUTES

Council – 21st November 2008

14. The Clerk reported that Mr. Newton had proposed an amendment to the final sentence of Minute 55 as follows:

“Mr. Newton assured the Council that the College Fund Board would not, itself, be trying to determine which equities to buy; its role was to appoint the right fund managers and, with the help of outside advisors (ARC), to ensure that the necessary controls were in place to ensure that the College would not be unduly affected by any investments that failed to perform as well as expected and that there was appropriate monitoring of performance and analysis to identify any problems early.”

15. Subject to the incorporation of the change noted above, the Minutes of the seventh Meeting of the Council, held on Friday, 21st November 2008, were taken as read, confirmed and signed.

MATTERS ARISING

16. With reference to Minute 47, Ms. Griffiths noted that the suggestion that the College’s risk register be changed to reflect wider health and safety risks than just those concerned with legislative compliance had also been made the previous year. She asked if the Minutes could in future reflect more clearly when an action had been agreed by the Council so they could be followed up at subsequent meetings. The Chairman said that he would not expect every minute to end in a series of action points, but he asked the Clerk to consider whether agreed actions could be more clearly signalled. The Rector said that the College took risk management very seriously and was currently investigating software solutions which would make it easier to record and monitor mitigating actions on individual risks.

ACTION: THE CLERK

RECTOR’S BUSINESS

Staff Matters (Paper A)

17. Paper A was received for information.

Oral Report by the Rector

18. The Rector said that the main issues being considered by the University at present; the financial strategy and the international strategy, were covered in separate papers before the Council. In his brief report, he would therefore concentrate on other
19. The College had prepared the leading universities' response to Lord Drayson, the Minister of State for Science and Innovation, who had asked for ideas about how universities could help the UK emerge strongly from the current economic crisis. The Government's expressed aim was to stimulate local economies and provide jobs for graduates; Imperial's submission had urged Lord Drayson to support the UK's few truly world-class universities as engines for innovation and research and development partners of choice for international companies. The College had also advocated the formation of a new, Government-led venture capital fund to invest in University spin-out companies. The Rector said that the College's ideas for economic stimulus had been generally well-received by Ministers, although the Treasury was, inevitably, less positive, because of the potential costs involved.

20. The Rector then reported on the latest Academic Health Science Centre (AHSC) developments. He reminded members that the Government had established a process for AHSC recognition to be granted by a panel of international experts. The College's application had been submitted in January and he was pleased to say that Imperial had now been shortlisted for part 2 of the designation process. If successful the College's partnership with the Imperial College Healthcare NHS Trust would be regarded formally as an AHSC. The result would be known by the end of March 2009. At the same time, the College was actively engaged in developing a Health Innovation and Education Cluster (HIEC) proposal to be led by Westminster Primary Care Trust. This would seek to take the benefits of translational research and education from the Imperial College Healthcare NHS Trust to the wider west London population including the other Trusts with whom the College had strong relationships, such as the Royal Brompton and Harefield Hospitals Trust and the Chelsea and Westminster Hospital Trust. As well as discussion on the development of a HIEC, the College was also considering the possibility of closer working relationships with the Royal Brompton and Harefield Trust and with the Royal Marsden Hospital. To this end, joint working parties had now been set up to investigate ways in which the College and these separate trusts might work together to best collaborate in teaching and research. Finally, the Rector said that the College was developing proposals for a formal Relationship Agreement with the Imperial College Healthcare NHS Trust. Discussions on the Relationship Agreement were continuing, but it was hoped that this would be put before the Council for approval at its next Meeting.

21. The Rector then said that, in these straightened times, it was imperative that the College continued to look for alternative and independent sources of income and Imperial Innovations was a key factor in this. It was therefore pleasing to note that Innovations' share price was performing particularly strongly at the moment. Much of this positive activity was as a result of the sale just before Christmas of the College spin-out company Thiakis to US-based Wyeth Pharmaceuticals for up to £100M. This was the first ‘blockbuster’ deal for Innovations and could bring in over £22M cash and further substantial sums in royalty payments. The Rector reminded members that Thiakis had been founded to develop Professor Steve Bloom’s research findings that appetite could be suppressed through the regulation of gut hormones. As a result, new treatments to tackle obesity and associated diseases were now within reach. This was a remarkable outcome, as the Company had only been founded within the last four years. It was also a very important development for Innovations and the College and, the Rector hoped, the first of many more blockbusters to come. He reminded members that innovation in science and technology would have to be a key driver in securing the UK's recovery from the current recession. In that context, Imperial Innovations and its success in fostering spin-out companies and bringing them to market was a shining example of what could be achieved.
22. Before bringing his Report to a close, the Rector thanked the Chairman for his help in arranging for the Ferrari Formula 1 racing car to be displayed in the College’s main entrance. This had attracted a great deal of interest, particularly from members of the public and children passing the College on Exhibition Road.

23. The Rector then turned to the results of the Research Assessment Exercise (RAE), which had been published on 18 December 2008. The results themselves were very complicated and different institutions had interpreted them in different ways, leading to more than one university claiming to have come top of the table. However, as a science institution, Imperial prized accuracy and impartiality; its interpretation of the results could therefore be trusted. Indeed, Imperial’s coverage and presentation of the results on its web site had been singled out for praise for its balance and accuracy by the Times Higher Education Supplement. The Rector was therefore confident in highlighting Imperial’s achievement in the RAE as follows:

   a. The College had the highest proportion (73%) of research judged to be world-leading or internationally excellent (4* or 3*) of all UK multi-faculty universities.

   b. In comparison with other institutions across the subjects in which Imperial made submissions, the College returned more staff (a total of 1225) than any other university.

   c. The College had six of the UK’s top-rated research areas. These were Chemical Engineering, Civil Engineering, Epidemiology, Mechanical, Aeronautical and Manufacturing Engineering, Pure Mathematics and History.

24. As an aside, the Rector noted that the RAE had thrown up some significant discrepancies between subject areas in determining the standards by which they would be judged. Physics, for example, had been very rigorous in determining what constituted world-leading or internationally excellent research. Media Studies in contrast appeared to have been more generous, with some 60% of the departments in the UK judged to be undertaking internationally excellent research. While the College’s results were extremely pleasing, the real issue was how this would now translate into funding. HEFCE was due to make a formal announcement on 4 March, but early indications were that HEFCE was proposing to spread research funding more widely and that there would consequently be less funding available for the world-leading research institutions.

25. Returning to the AHSC, Mr. Gray asked if the College had a view on whether the other NHS trusts it dealt with; the Royal Brompton, the Royal Marsden and Chelsea and Westminster, would be better in or outside the AHSC. The Rector said that, at the moment it was better for the College to develop a HIEC with these and its other NHS trust partners, not least because significant funding would flow through such clusters. Furthermore, the challenge of merging trusts to create a single Trust was considerable. The Imperial College Healthcare NHS Trust was already the largest NHS Trust in the country and it was unlikely that any proposal to expand it further would meet with much support. Lord Tugendhat said that the Trust was quite large and complex enough and its main priorities for the time being had to be to achieve AHSC status and then to apply for Foundation Trust status. The addition of other trusts through merger or some other collaborative agreement was unlikely to be approved and would be an unwelcome distraction from the Trust’s main priorities. Lord Tugendhat then reminded the Council that the Royal Brompton and Harefield Hospital Trust was currently applying for Foundation Trust status itself. Until this issue was resolved it was difficult to consider any further structural changes. As the Rector had said, the best option at present was to work in close collaboration with these trusts rather than to hold out for some form of merger. The College and the
Imperial College Healthcare NHS Trust were both proceeding sensibly. Lord Tugendhat then said that the Strategic Health Authority (SHA) was also concerned about the viability of some of the smaller trusts in West London; it was possible that the Trust might be asked to help one or other of these trusts, possibly through merger. The Chairman said that AHSC developments were a particular concern for the Council and that this was one area where the Council might benefit from a more regular flow of information.

26. Turning to the RAE, the Chairman said that Sir Peter Gershon, who had been unable to attend this Meeting, was concerned about the ‘tail’ in Imperial’s results (that is, those staff rated as 1*) and what was being done to improve their performance. The Rector said that Imperial’s tail was the smallest in the country. Nevertheless, the Faculty Principals had been asked to look at performance in this area and to see what might be done to improve this yet further. Professor Sir Peter Knight pointed out that the tail was not necessarily associated with underperformance by individual members of staff, but rather reflected a grading given to research activity; for example, to specific papers in journals. In many cases a paper might be graded at 1* or 2* while the rest of that researchers work was recognised as being 3* or 4*. The Rector agreed and ended his report by congratulating the Engineering Faculty and the Business School on their performance in the RAE. Imperial was clearly now the top engineering establishment in the UK, while Business had come second only to the London Business School. This was particularly creditable given its previous record in the RAE.

Oral Report by the Principal of the Faculty of Natural Sciences

27. Opening her Report, Professor Dallman said that the number of Natural Science staff entered into the RAE had been very impressive, with Physics leading the way. One lesson she had drawn from the results was the impact investment in facilities could have; the College had invested heavily in renewing the facilities for infection and immunity and this subject had done extremely well in the RAE. Chemistry, on the other hand, had had much less investment over the years and its facilities were now out of date. Although it had done reasonably well, the lack of investment was clearly having an impact. Turning to the Faculty’s finances, Professor Dallman said that they were healthy and the Faculty expected to exceed its targets for research growth, which had been set relatively high at 11%. Despite this strong performance, she cautioned that funding over the next few years was likely to be much more difficult. Educationally, the Faculty was also doing well with the recent granting of three EPSRC doctoral training centres to the College. Together these would bring in an additional £20M over the next three years. The Mathematics Department was also developing a web-based induction course aimed at post-A level students before they arrived at university. The aim was to provide students with the additional mathematics training they needed before starting their university courses. The course was currently being trialled and would initially be offered to new Imperial Mathematics students. Because it was web-based, it could also be made available for non-Imperial students, for a small fee. Once the trials had been completed it was hoped that the course would be launched and publicised more widely. Closing her Report, Professor Dallman noted that Darwin’s 200th birthday on 12th February had been celebrated with a week of events at Imperial including the launch of a new book on Darwin, *Darwin’s Sacred Cause: Race, Slavery and the Quest for Human Origins*.

Oral Report by the Senior Dean

28. For his Report, the Senior Dean, Professor Isham, concentrated on the educational initiatives being taken forward by the Pro-Rector (Education), Professor Julia
Buckingham. Professor Buckingham had, he said, established a number of working groups to look at issues such as quality assurance, student discipline and the student experience. These were working well, and he hoped that they would make a real difference to the way these areas were organised and run. One of the concerns on student discipline was that different panels often came to different decisions, leading to a degree of inconsistency over the penalties applied for particular offences.

29. Professor Isham then informed the Council that he had been a student at Imperial before becoming an academic and that, even when he was a student, there had been a real tension between the demands of teaching and research. Imperial College was, he said, a university and not an exclusive research institute and this meant that teaching and research had to be afforded equal status in the College. However, with the pressure on staff to deliver high quality research, it was becoming increasingly difficult to get younger staff to commit to teaching, or to accept additional responsibilities for teaching as they believed this would interfere with their research and would not be recognised in the promotion process.

30. Another important issue was that of student welfare. Undergraduate students had access to good support within their departments, but the same level of support was often not available for postgraduate students. As with teaching, it was also difficult to get staff to take on pastoral care responsibilities because of the time commitment and the perceived impact this could have on an individual’s research output. Finally, Professor Isham said that staff themselves might also benefit from an improved care and support structure.

31. The Chairman said that maintaining the appropriate balance between teaching and research was a longstanding issue, but that the Council should clearly keep this under review. He was less clear that the Council had a direct input into the welfare issue, but with regard to the student disciplinary procedures, he cautioned against having a permanent panel deciding all such matters; it was important to involve a wide range of people and experience on these panels. Professor Isham clarified that the proposals being looked at would provide for some limited cross membership of panels to provide more consistency; it was not proposed that all cases should be heard by the same panel.

32. The Rector agreed wholeheartedly with Professor Isham’s views on teaching and research and said that imperial’s reputation rested as much on the excellence of its teaching as on the quality of its research. Indeed, he said the College was boosting the Education Office to ensure there was more support for teaching and education. Ms. Owen asked if the College was judged on the quality of its teaching provision in the same way that the RAE judged the quality of research. Professor Sir Peter Knight stated that an external audit of its education was undertaken and said that, furthermore, College promotion panels took an individual’s teaching contribution very seriously as well as student feedback. There was an unfortunate perception that teaching was not rewarded as much as research, but this was simply not the case. Ms. Griffiths then asked if the College celebrated teaching excellence. Professor Sir Peter Knight said that the College had specific awards for outstanding teachers and that these were given a high profile through their presentation at a degree ceremony. Indeed, at the last ceremony when one of the teaching awards had been presented, that lecturer’s students had given him a rousing ovation. In addition, there was also a specific Rector’s Award for teaching.

**Oral Report by the Principal of the Faculty of Engineering**

33. Professor Richardson opened his Report by saying that the Engineering Faculty was also doing well and in line with its financial and other performance targets. As the
Rector had already intimated, Engineering had done particularly well in the RAE, achieving not only very high gradings but also returning 98% of eligible staff into the RAE. In Engineering’s case, Professor Richardson was also able to confirm that the tail was a direct result of a few lower graded papers, and was not related to the performance of any individual. Professor Richardson then turned to the major project for the Faculty, the creation of new facilities on the South-East Quadrant of the South Kensington Campus (the SEQ Project). The Project was progressing well and was currently on track and on time. He reminded members that, partly because of its size and complexity and partly to provide the College with a degree of flexibility, the Project was being phased over a number of years, with the option to delay the later phases if this was in the College’s interests. A key factor in the success of the Project was the impact it would have on the teaching of engineering at the College with engineering departments in future sharing facilities rather than having dedicated lecture theatres and seminar rooms. This would ensure that space in the new building would have much higher usage levels than any of the current buildings on Campus. Ending his report, Professor Richardson was pleased to report that the College’s Energy Research Centre had received funding for a further five years and that it had just been confirmed that a UK Transport Research Centre would also be based at Imperial.

**Oral Report by the Principal of the Imperial College Business School**

34. Professor Begg was pleased to report that the Business School had done very well in the RAE. It had come equal second in the proportion of research activity rated 4*, and, if the College measure of the proportion of research rated at 4* and 3* was used, it was in joint first place with London Business School. As the Rector had said, this was an excellent performance and represented a considerable improvement for the School. The School was also continuing to expand its offering and expertise and had recently secured the services of one of the country’s leading experts in healthcare management. The School was also hoping to develop a new Centre for Intellectual Property, which would further enhance its reputation. Despite the credit crunch, recruitment to all of the School’s programmes was up. However, Professor Begg cautioned that other universities had been caught out when overseas students had failed to turn up and register at the beginning of the year, leaving them short of both students and income. To address this risk, he wanted to bring in a deposit system to ensure that overseas students in particular would take up their places.

35. In addition to the Centre for Intellectual Property, the Rector said that the College was also considering the development of a new Science Policy Institute, possibly in conjunction with the newly established Institute for Government. Imperial’s location meant it was ideally placed to provide briefings on science, engineering and healthcare for civil servants and politicians from all the main parties.

**FINANCIAL MANAGEMENT REPORT (PAPER B)**

36. Introducing Paper B the Chief Operating Officer, Dr. Knight, said that the College was performing well. The figures for the first five months looked very good with the surplus healthily above budget. The Work-in-Progress (WIP) figure had been a concern before Christmas, but this was now back under control. Turning to the College’s treasury function, Dr. Knight reminded members that the College had previously been able to earn over 6% interest on its deposits; considerably more than it was paying as interest on its borrowings. These were now coming to an end and, as a result, the College would soon be receiving a much lower level of interest on its cash holdings. Turning to the future, Dr. Knight reiterated that the College was not in difficulty this year, or even next year as its projected income was still relatively
secure, but that it could be in the years beyond. This was due to the nature of the College’s business as research grants were secured up-front for two to three years. However, this could itself be a problem as it made it that much harder to persuade people that it was necessary to take action now to avoid future problems, when the current year’s results looked very healthy.

37. Mrs. Couttie asked if the problems in controlling the WIP were the result of a blip or were systemic and therefore of more concern. In particular, she was worried that staff might be concentrating on applying for future research funding, rather than getting the money from current grants. Dr. Knight said the problem had been caused by a simple failure to send invoices out before Christmas. Although keeping the WIP down required constant vigilance, he was satisfied that this problem had been a temporary one and was not a cause for concern. Indeed, the WIP figure was now the same as it had been this time last year, despite the 11% increase in research funding over the same period. He also assured Mrs. Couttie that researchers were not responsible for sending out invoices and there should therefore be no conflict between applying for new research funding and keeping the WIP as low as possible. Professor Begg noted that it was very difficult to achieve an absolute target for WIP, particularly in a period of considerable growth. He suggested a more reasonable view could be obtained by measuring the WIP as a percentage of overall research income. According to this measure, he suggested the College was successfully controlling its WIP.

38. Mr. Newsum noted Dr. Knight’s caution over the likely reduction in yields against the College’s cash deposits and asked if the College was still using the same banks. Dr. Knight said that a variety of banks had been and were being used. Their performance was monitored carefully by the treasury function at the College, which was well managed and prudent and sought to balance risk with potential return. For example, he said, unlike a number of other universities, the College had not deposited any cash with the Icelandic banks as, despite the high interest rates they had been offering, the College had considered them to be too high risk. This decision had proved to be a good one when those banks became insolvent, leaving foreign investors with no access to their deposits.

39. Mr. Gidoomal asked if the proportion of research funding from the EU was going up or down. Dr. Knight said that the College had secured funding from the EU through its latest framework funding scheme (FP7). However, EU funding was not popular with academics because of the onerous bureaucracy attached and the relatively low levels of overhead. The Rector said that the EU was finally moving to a system of funding on excellence rather than by geographic area, which would be beneficial for the College, but he too agreed that the low return and bureaucracy attached to this funding was a serious deterrent for many researchers.

THE 5 YEAR PLAN REVISTED (PAPER C)

40. Introducing Paper C Dr. Knight said that he believed the College’s Finances were reasonably secure for the next two years, but it was inevitable that a new Government in 2009-10 would have to review the public finances and, he thought, higher education was unlikely to be immune from this review; any cut in funding for science and education would have a serious impact on the College. For the College, the nightmare scenario was that a number of separate developments could take place contemporaneously, all of which could have a negative effect on the College’s finances. These were:

a. That Government expenditure would be curtailed beyond 2009-10. At some point the Government would have to cut public spending and raise taxes
given the current levels of public debt. The most likely time for this to happen was when a new Government was elected in 2009-10. The College currently received almost 50% of its income from Government sources and so was vulnerable to a reduction in public funding.

b. There was a real possibility that action to prevent deflation could in turn lead to higher inflation. Dr. Knight said that high inflation would inevitably lead to calls for higher wage rises to keep pace with inflation. The College’s biggest cost was its salary bill, so any inflationary pressure on salaries would have an immediate impact on Imperial’s finances.

c. Similarly, interest rates were currently at an all-time low. However, it was plausible to expect that this would not continue and that interest rates could rise sharply in the future. If this rise coincided with the period when the College’s net debt position was at its worst, this too would have a significant impact on its financial position.

d. Finally, Dr. Knight said that the collapse in sterling had made the UK an attractive proposition for overseas students. However, sterling could make a sharp recovery from its currently lowly position. If it did, this would increase costs for overseas students coming to London, which could in turn lead to a reduction in overseas student recruitment. Overseas student income in 2007-08 had been £61M. A sudden reduction in the number of these students would have a serious impact on the College’s finances.

41. Continuing, Dr. Knight said that each of these separate scenarios was plausible, although some were more likely than others, and they might be staggered in their effects. However, if each was plausible, the College had to plan on the basis that, not only could some or all of these take place, but they could all happen at the same time. It was therefore necessary to take action now to secure the College’s financial position and ensure that it was able to weather these future storms. Dr. Knight was pleased to report that this necessity was recognised and understood by all the Heads of Department and Division in the College and they were all now preparing plans on the basis that the situation would get much tougher in the next two years.

42. Dr. Knight then said that, faced with this prospect, the College could take a number of actions; it could, for example, assume that it was going to generate additional income from elsewhere. Dr. Knight thought it was likely that the College would be successful in generating this additional external income, e.g. from Imperial Innovations; however, it could not be relied on as a sound basis for preparing future plans. The College could also cut its capital expenditure or its operating costs, or a combination of both. With regard to the capital expenditure programme, Dr. Knight said that the College had taken on its borrowings in order to be able to invest in new facilities to ensure its continued scientific excellence in the 21st Century. This imperative still existed. Furthermore, the borrowing had been intended to fund the capital programme and there was a risk that halting this rather than cutting back on recurrent expenditure could result in the borrowing being used to pay for operating costs rather than investment in the College’s future. Dr. Knight’s view was that it was reasonable to continue at the very least with the large capital projects, such as L Block at the Hammersmith Campus and the South-East Quadrant (SEQ) Project at South Kensington, while reducing operating costs to a level that was consistent with the expected downturn ahead and re-addressing the “nice to have” versus the “need to have” projects.

43. Closing his report, Dr. Knight said that the next major capital decision facing the Council would be approval for the next phase of the SEQ Project in a year’s time. By that time, the College’s financial position would be much clearer and the Council
would be able to assess the success or otherwise of the actions being taken now. If it turned out that the financial position was very difficult, the Council could choose to defer the next phase of the Project.

44. Mrs Couttie said that one of the shocks of the current recession had been its speed. She suggested therefore that the timing of the recovery would be a continuing uncertainty and said that she thought interest rates could well rise more sharply and faster than many people expected. With regard to sterling, she said that the Government’s decision to print more money would have a dampening effect on the value of sterling; she therefore saw a rise in sterling as less likely. Professor Begg said that sterling was still quite volatile. However, he cautioned that, although the drop in sterling made student fees cheaper and therefore more attractive for overseas students, the same drop made UK academic salaries much less attractive in the international market. Dr. Knight agreed, noting that 35% of the College’s academic staff were not from the UK. Professor Begg said that this showed that single solutions or approaches to the problem would not be sufficient and that the College needed to be prudent and adopt a multi-faceted approach to address the coming problems. The current recession was, he said, the worst since the war and it was likely that UK’s financial position would be affected by it for many years to come, not least because the UK taxpayer would have to pay off massive levels of Government debt through increased taxes over the next twenty years.

45. The Rector said that, in addition to reducing its cost base, the College had to continue to generate additional income from non-governmental sources. Dr. Knight had already mentioned Innovations and the spin-out companies and the Rector expected there would be further successes from this source. Other ideas that were being actively pursued by the College included the possibility of further interactions in the Middle East, and possibly the creation of an overseas campus or institute; the creation of a company to offer continuing professional development courses; and the creation of a clinical trials company, or even a private hospital.

46. Mr. Newsum said he agreed with Dr. Knight’s contention that the long-term vision for the College had to be maintained and this meant maintaining its investment in leading edge scientific facilities and infrastructure. However, the College had to manage its short term position if it was to achieve it longer-term objectives. The financial situation in the UK had deteriorated markedly in the last few months and Mr. Newsum suggested that it was not enough for the College to seek to return to the position it had been in last July. He believed that the College might well have to defer aspects of the SEQ Project to spread its costs over a longer period, but he acknowledged that this decision did not have to be taken just yet and that there was time to see whether the College’s proposed action would have sufficient effect to make such a deferral unnecessary. Importantly, he said, the College was still in control of this decision; its hand was not being forced by external pressures outside its control.

47. The Chairman agreed, although he noted that one positive benefit for the College’s capital programme was that building costs would fall. Dr. Knight agreed and said that the College’s cost consultants had estimated that the College would save up to £30M on construction costs on the contracts being placed now compared to the costs if those same contracts had been placed a year ago.

48. Lord Tugendhat said he was less apprehensive than some other members. He believed that sterling was likely to rise steadily against the Euro, as it was already doing, but was unlikely to recover its position against the dollar. He also believed that interest rates would have to rise in the future. He then went on to say that one issue that had not been discussed was donations; Imperial did not compare well with Oxford and Cambridge on fundraising. Although this was clearly not a propitious
time for fundraising, investment in this activity would, in his view, bring long-term benefits for the College. Although this was clearly a sensitive subject, he suggested that the College’s lack of control over these costs was a problem and that action was required to ensure that increases in this area did not undo the College’s efforts to control its other costs. Dr. Knight agreed with this and noted that a report on pension costs and provision was to be presented to the Audit Committee at its next Meeting. Imperial was, he said, working with other universities in the Russell Group to get the main pension provider, USS, to make changes to its scheme. A number of options were being considered, and there was an increasing acceptance across the sector that change was both necessary and inevitable.

49. Dr. Gray recalled that, at a previous meeting, the Council had been warned that a lack of cash was often the main factor in organisations failing; the College therefore needed to ensure that its cash position remained positive and well-managed. He also said that the College’s most important asset was its staff. The College clearly needed excellent facilities and buildings, but at the same time it had to continue to recruit and retain the best academics from across the world. In his view, the ability to continue to attract the best staff was a higher priority than the capital programme.

50. Dr. Knight agreed, but said the relationship between the provision of facilities and the recruitment of staff was a complex one as often it was the ability to provide the best facilities that allowed the College to attract the best staff. The College’s priorities for investment had to be its staff, the science they conducted, and the buildings in which they worked. Investment in all three areas had to be maintained if the College was to continue to flourish.

51. Bringing the discussion to a close, the Chairman said that the Council noted and supported the action being taken by the College to address the changing financial environment and, in particular, agreed that the College should not use its borrowing facilities to finance present or future operating costs. Dr. Knight agreed and said that it would be clear in a year’s time if the corrective action being taken now had been successful. There would be scope then to take further action, if needed, or proceed with the current plans.

INTERNATIONAL INITIATIVES (PAPER D)

52. The Chairman said that, as this was one of the topics that would be discussed in more detail at the more informal Meeting to be held on 20 March, this item could be deferred until that Meeting.

RESEARCH ASSESSMENT EXERCISE (PAPER E)

53. The Rector introduced Paper E, which was provided primarily for information, and noted that he had discussed the outcomes of the Research Assessment Exercise in his earlier oral report.

COLLEGE FUND (PAPER F)

54. The College Fund Report was received for information.
IMPERIAL INNOVATIONS (PAPER G)

55. Before Paper G was presented, the Chief Operating Officer, Dr. Knight, and Mr. Newsum both declared potential conflicts of interest as they each had an interest in Imperial Innovations. Both therefore withdrew from the discussion of this item.

56. The Clerk introduced Paper G and said that in 2004 the College, acting through Imperial Innovations, which at the time was a wholly-owned subsidiary, had entered into a complex investment agreement with EF Investments. The Agreement provided for a return to be made to EF Investments from IP generated by the Institute of Biomedical Engineering, but also included a protection for EF Investments in the event that the College restructured its activities to such an extent that research into biomedical engineering ceased. Since then, Imperial Innovations had gone public with the result that it now had a number of external investors, with the College retaining a majority holding. Although it was no longer a wholly-owned subsidiary, Innovations was still responsible for meeting the terms of the Agreement with EF Investments. As it had no control over the College’s decisions in respect of biomedical engineering, it had asked the College to provide it with an indemnity to cover the Agreement with EF Investments until 2014, the point at which this specific protection was due to expire. The Clerk confirmed that the College had no intention of ending its activity in biomedical engineering; indeed, this was a growth area for the College so the risk of the indemnity being used was extremely low. He also confirmed that this potential liability for Innovations had not been noted in the prospectus for the Initial Public Offering and so the other investors could not reasonably be expected to have known about it when investing in Innovations.

57. Mr. Gidoomal asked if the College had previously given indemnities to other organisations. The Clerk confirmed that Imperial had, on occasion, given other indemnities and that the Director of Finance kept a log of all indemnities given by the College. Professor Begg asked if the original Agreement had included a specification as to what constituted biomedical engineering. If it had not, he suggested that the indemnity include its own definition to ensure that the College was absolutely clear about what it was and was not indemnifying. The Clerk said that a definition had been included as a schedule to the original Agreement, but he agreed to check the precise terms of this definition. The Chairman agreed with Professor Begg: if the wording was loose, the opportunity to tighten it should be taken.

58. Ms. Griffiths said she was concerned that the liability had not been noted in the Initial Public Offering and asked if, by now offering this indemnity, the College was enhancing the value of the Company. The Clerk confirmed that the indemnity only covered this very specific liability and would not otherwise affect the value of Innovations. Dr. Gray then sought a further assurance of the probability of the indemnity being required. The Rector said that the possibility of Imperial ceasing activity in biomedical engineering before 2014 was close to zero.

Resolved: (i) That, after due consideration of all the circumstances and on being satisfied that it is for the benefit of the College and in the interests of the College for the purpose of carrying on its business to give an indemnity (the “Indemnity”) to indemnify Innovations for an amount equal to the lesser of (a) 92.5% of the Exit Payment; and (b) £9,250,000 if Innovations becomes liable to make an Exit Payment under the Agreement.

(ii) That, having confirmed that its terms were sufficiently precise, the Director of Finance and the College Secretary be authorised to sign the Indemnity.
MAJOR BUILDING PROJECTS REPORT (PAPER H)

59. Dr Knight presented Paper H, which was received for information.

EQUAL OPPORTUNITIES AND DIVERSITY COMMITTEE (PAPER J)

60. Introducing Paper J Professor Begg said that the College had been making reasonably good progress in promoting equal opportunities and diversity; there had been a lot of activity and effort, particularly with regard to improving Imperial’s gender balance. The College also had good processes in place and there was clear commitment to equal opportunities throughout the organisation. However, some of the outcomes were disappointing and retention figures for female academics were still too low; having said that, the proportion of women professors had increased slightly. Particular challenges included the transfer from post-doctoral researcher to appointment as a lecturer as a large number of women simply failed to make this transition; and making provision for women academics returning from maternity leave. The transition from post-doc to academic especially was a concern, although it was not clear whether this was a general problem across the sector, or was particularly acute at Imperial. To resolve this, the College had tried benchmarking its achievements, however, it was proving difficult to find meaningful comparators. Moving on, Professor Begg said that very few staff in the College declared a disability, so it was difficult to assess progress in this area. Ending his Report, Professor Begg said that the last few years had seen steady progress and he expected that next year would provide a similar picture. There was still much to be done, but he felt staff in this area could be proud of what had been accomplished thus far. Finally, he looked forward to the forthcoming Diversity Lecture, which would be given this year by a member of the Council, Mr. Gidoomal.

61. Professor Dallman said that the College was doing a lot of work on gender issues and, as Professor Begg had said, especially wanted to address the transfer of more women post-docs to academics. She then said that the College was preparing an application for an Athena Swan Gold Award. This would require the College to demonstrate a significant record of activity and achievement in promoting gender equality and addressing challenges particular to science and engineering. It was an ambitious target but one that would greatly benefit the College if it was successful.

62. Mr. Gidoomal said it was encouraging to see the College continuing to make such good progress. He had, he said, attended some of the Imperial as One events and had been impressed with the good feeling these had engendered in the staff attending them. However, he felt that, although there was clear commitment amongst the senior staff to addressing gender inequalities, there were still pockets of resistance across the College. He also said that some people found Imperial still to be a very male-dominated culture. The Report showed how difficult it could be to challenge entrenched attitudes despite the significant efforts being made. Professor Begg agreed, but said that everyone had a responsibility to support equality and diversity and this was now reflected in the College appraisal system, which should help to address such attitudes.

63. Lord Tugendhat said he had been impressed with the actions taken by some Cambridge colleges to encourage more state school entrants and asked if the College had any similar schemes. The Rector said that the College had a very active outreach scheme working with schools to enthuse students with an excitement for science and to encourage them to think of applying to Imperial. It also had the Inspire scheme, under which post-doctorate researchers spent time teaching science in schools in London. This was a wonderful initiative, which was valued by the
schools and by the post-docs involved.

64. Ms. Owen welcomed the Report and the progress it demonstrated. She said it suggested that the College had now reached the stage where the majority of staff supported the aims of equality and diversity. She suggested that the College consider collaborating with some of its competitors or with its industrial partners on certain initiatives; this could provide useful benchmarking information and could also provide interesting learning opportunities on how different organisations had addressed particular problems.

65. The Chairman ended the discussion noting that the Report showed both that the College’s record was improving, and that there was still much to be done. Most concerning to him was the lost opportunity represented by the number of female post-docs who chose an alternative career rather than pursuing a life in academia. This was, he said, a real economic cost to the College.

SENATE REPORT (PAPER K)

66. The Rector presented Paper K, which was received for information.

IMPERIAL COLLEGE UNION (PAPER L)

67. The President of the Imperial College Union, Ms. Morgan, presented Paper L. One of the issues on which she had stood for President, she said, had been that of representation. The proposed changes to the Union’s Constitution would, she said, result in real improvements in the way in which students were represented. The creation of an additional sabbatical post devoted to welfare would also, she said, improve the support the Union could provide for students at Imperial and would be funded by the Union from the savings made from its decision to disaffiliate from the NUS.

Resolved: That the proposed amendments to the Imperial College Union Constitution and Regulations, as set out in Annex A of Paper L, be approved.

CLERK’S BUSINESS

Proposed Amendments to College Ordinances (Paper M)

68. The Clerk presented Paper M. The proposed Ordinance had been been approved by the Management Board and the Audit Committee, but had been withdrawn when it was previously presented to the Council to allow for further clarification of the respective roles of internal and external audit. This had now been done, and the Clerk was therefore able to present the Ordinance for approval.

69. Mr. Newsum said that organisations were coming under increased scrutiny over issues of hospitality and asked if the College had a policy on the acceptance of gifts and hospitality. The Clerk said that a Policy had recently been approved by the Management Board and would be considered by the Audit Committee at its next Meeting.

Resolved: That the proposed amendments to Ordinance C1, Financial Matters, as set out in Annex B of Paper M, be approved.
ANY OTHER BUSINESS

70. There was none

NEXT MEETING

71. The Clerk reminded members that the Council’s next Meeting would be held on Friday, 8th May 2009.

[Signature]

8·V·09.
PRO-RECTOR (COMMERCIAL DEVELOPMENT)

Mr Edward ASTLE, formerly Group Director of Unregulated Business for National Grid, has been appointed Pro-Rector (Commercial Development), with effect from 1 December 2008.

HEAD OF DEPARTMENT OF PHYSICS

Professor Joanna HAIGH, Professor of Atmospheric Physics, has accepted appointment as Head of the Department of Physics, in the Faculty of Natural Sciences, with effect from 1 January 2009.

DIRECTOR OF OPERATIONS FOR THE BUSINESS SCHOOL

Mr Jon TUCKER, currently Director of Corporate Services for the NMSI Group, has been appointed to the post of Director of Operations for the Business School, with effect from 16 March 2009.

PROGRAMME DIRECTOR

Dr Neil VAREY, currently Faculty Operating Officer for Engineering, has accepted appointment as Programme Director, with effect from 1 February 2009.

HEAD OF SECURITY

Mr Terry BRANCH, formerly Acting Head of Security, has accepted appointment as Head of Security, with effect from 1 December 2008.

ACTING HEAD OF THE CENTRE FOR EDUCATIONAL DEVELOPMENT

Dr Frank HARRISON, Senior Lecturer in Educational Development, has accepted appointment as Acting Head of the Centre for Educational Development, with effect from 1 November 2008.

DIRECTOR OF RESEARCH AND DEVELOPMENT, FACULTY OF MEDICINE

Professor Jonathan WEBER, currently Head of the Division of Medicine, has accepted appointment as Director of Research and Development, in the Faculty of Medicine, with effect from 1 April 2008.
HEAD OF THE DIVISION OF MEDICINE

Professor Gavin SCREATON, Chair in Medicine and formerly Deputy Head of the Division of Medicine, has accepted appointment as Head of the Division of Medicine, with effect from 1 January 2009.

HEAD OF DIVISION, NATIONAL HEART AND LUNG INSTITUTE (NHLI)

Professor Michael D SCHNEIDER, Chair in Cardiology and formerly Head of Cardiovascular Science, has accepted appointment as Head of Division for the National Heart and Lung Institute, with effect from 1 January 2009.

ASSOCIATE HEAD OF DIVISION, NATIONAL HEART AND LUNG INSTITUTE (NHLI), AND CAMPUS DEAN, ROYAL BROMPTON CAMPUS

Professor William (Bill) COOKSON, Professor of Respiratory Genetics, has accepted appointment as Associate Head of Division for the National Heart and Lung Institute and Campus Dean for the Royal Brompton Campus, with effect from 1 January 2009.

ACADEMIC REGISTRAR

Mr Robert Edward WESTAWAY, previously Academic Registrar at Goldsmiths University of London, has accepted appointment as Academic Registrar with effect from 17 Nov 2008.

PROFESSORS

Professor William WISDEN, currently Chair in Neuroscience at Institute of Medical Sciences, University of Aberdeen, has been appointed to the post of Chair in Molecular Biology, Department Of Life Sciences, in the Faculty of Natural Sciences, with effect from 1 February 2009.

Professor Jan J BROSENS, formerly Chair in Reproductive Sciences, at the Institute of Reproductive Biology (IRDB), Division of Surgery, Oncology, Reproductive Biology and Anaesthetics, in the Faculty of Medicine, has been appointed to the post of Chair in Reproductive Medicine and Sciences, within the same institute and division, with effect from 1 October 2008.

Dr Anne LINGFORD-HUGHES, currently Reader in Biological Psychiatry and Addiction at University of Bristol, has been appointed to the post of Chair in Addiction Biology, Division of Neuroscience and Mental Health, in the Faculty of Medicine, with effect from 1 February 2009.

Mrs Victoria Jane Adelaide HEATON, formerly Manager of Financial Planning and Analysis for Fixed Income at Merrill Lynch, has been appointed the post of Deputy Faculty Finance Officer in the Faculty of Medicine, with effect from 3 November 2008.

VISITING PROFESSORS

Professor Malcolm GOWER, previously employed as a Founder and Managing Director at Nanophoton Technologies, has accepted an association with the College as a Visiting
Professor in the Department of Electrical and Electronic Engineering, Faculty of Engineering, with effect from 1 December 2008 for a period of three years.

Professor Frances Margaret Gotch, previously employed as a Professor in Immunology, in the Faculty of Medicine has accepted an association with the College as a Visiting Professor of Immunology in the Department of Investigative Science in the Faculty of Medicine on a part-time basis with effect from 1 November 2008 for a period of three years.

Professor Paul Michael Grasby, FMedSci, previously employed as a Clinical Professor in the Department of Psychological Medicine, in the Faculty of Medicine has accepted an association with the College as a Visiting Professor, with effect from 10 October 2008 for a period of one year.

Professor Jill Richardson, previously employed as a Department Director at GlaxoSmithKline, has accepted an association with the College as a Visiting Professor in the Department of Psychological Medicine, Faculty of Medicine, with effect from 8 December 2008 for a period of three years.

RESIGNATIONS

Professor Robert Graham Hill, Professor in Biomaterials, Department of Materials, in the Faculty of Engineering, has resigned with effect from 31 December 2008. Following resignation, he has accepted an association with the College as a Visiting Professor until 8 October 2010.

Professor Jon Walter, Professor in Natural Sciences, Division of Biology, in the Faculty of Medicine, has resigned with effect from 31 December 2008.

Professor Vernon C Gibson, FRS, Sir Edward Frankland BP Chair of Inorganic Chemistry within the Faculty of Natural Sciences, has resigned with effect from 31 October 2008 to take up an appointment at BP. Following resignation, he has accepted an association with the College as a Visiting Professor for a period of three years.

Dr Andreas Kronenburg, Reader in Combustion, Department of Mechanical Engineering, in the Faculty of Engineering, has resigned with effect from 31 December 2008 to take up an appointment at the University of Stuttgart. Following resignation, he accepted an association with the College as a Visiting Professor for a period of one year.

Dr David James, Reader in Natural Sciences, Division of Biology, in the Faculty of Medicine, has resigned with effect from 31 December 2008.

Ms Heather Susan Fry, Reader in Higher and Professional Education, Education Quality Office, in the Centre for Educational Development, has resigned with effect from 9 November 2008.

Dr David James Agnew, Reader in the Division of Biology within the Faculty of Natural Sciences, has resigned with effect from 31 December 2008 to take up an appointment at a London based consultancy. Following resignation, he has accepted an association with the College as an Honorary Senior Research Fellow for a period of three years.

Mrs Fiona Kirk, Director of Development, Office of Alumni and Development, Development of Corporate Affairs, has resigned with effect from 31 December 2008.
RETIREMENTS

Professor John Walter, MANSFIELD, Professor in Plant & Microbial Biology in the Division of Biology, in the Faculty of Natural Sciences, has retired with effect from 31 December 2008. Following his retirement, he has accepted part-time re-employment with the College.

Dr Ling-Sun JEN, Reader in Neural Development & Plasticity, Department of Cellular & Molecular Neuroscience, Division of Neurosciences and Mental Health, in the Faculty of Medicine, has retired with effect from 31 December 2008.

DEATH IN SERVICE

Professor Brian M FOXWELL PhD DSc FRCPath, Professor of Immune Cell Signalling, Kennedy Institute of Rheumatology, Division of Surgery, Oncology, Reproductive Biology and Anaesthetics, in the Faculty of Medicine, died on 17 December 2008.

Professor Jeremy Robin JASS, Clinical Chair in Gastrointestinal Pathology, in Biosurgery & Surgical Technology, in the Division of Surgery, Oncology, Reproductive Biology and Anaesthetics, in the Faculty of Medicine, died on 30 November 2008.
MANAGEMENT ACCOUNTS TO 31/12/08 (1)

1. Overall, the financial position for this year remains healthy, although there continue to be a number of areas that need to be watched, as highlighted below. It is worth noting that we are about to undertake the detailed half year review, including a reforecast of the financial position for the year end which will be presented to Management Board next month.

2. Despite being a short month, income in December was good with the overall year on year growth increasing to 12% (pg2). Research income is now some 21% up on last year compared to the 17% growth reported last month. Of particular note is that FoNS are now £1m ahead of budget, FoE have reduced their adverse position during December and FoM remain £7.6m ahead of budget for the year to date. Also, contribution was £1.0m better than budget in the month, with all Faculties posting a favourable performance.

3. Within the Faculties staff costs were slightly adverse to budget in the month (pg 7), reflecting the impact of the October pay increase, although this remains favourable for the year to date. Non staff costs were also adverse, reflecting DTA’s and bursaries and £0.9m of publicity work (film making) on the Gates SCI project, which is offset by a corresponding increase in income.

4. Expenditure within Academic Services and Support Services (pg 13) continue the below budget monthly trend seen all year, and specifically there was a one off benefit to utilities this month, following the settlement of the CHP claim with EDF. Commercial Services delivered a profit during December, primarily due to a better than budget performance in Catering and Conferences. The College Fund is £0.8m behind budget.

5. The continued management and focus on the directly controllable elements of the balance sheet (pg. 3) remain of prime importance. Whilst the debtors increased over the month, driven by an increase in other debtors following the raising of accommodation invoices for the new term, they remain lower than last year (pg 11), particularly on student debt, reflecting the faster billings this year and more on line payments by students.

6. However, Research WIP (pg 10) has increased by 10% in the month and at £54m is now the highest that it has ever been. It is worth noting that in both December 2007 and 2006 WIP was ~ £40m, meaning that there has been a 37% increase over the year compared to the 21% increase in research income, with both FoNS and FoE seeing WIP increase by more than 50% over the year compared to 21% research income growths in both Faculties. This cannot be allowed to continue and will increasingly cost the College financially. It is important that research teams continue to maintain a focus on the raising of invoices. Finance have appointed an analyst to work with the Faculty teams to help understand further the drivers behind these increases.

1. The Financial Management Report Booklet is not included with these Minutes.
7. Cash flow continues significantly ahead of budget, helped by the better operating result and favourable working capital. Overall the College remains in a small net cash position of £6.7m but driven by the lower rates of interest that we are now earning on our deposits, the net interest will move to be a cost to the College. Hence it is important that the College manages cash even more closely than before. Whilst the average rate of interest earned on deposits remained above 6% (pg 5) there are a number of deposits that matured in January and will be placed back out at rates below 3%. It is worth stressing that the College has a policy of only depositing cash with the highest rated institutions (pg 5).

M.P.K.
1. At the last Council meeting, it was noted that the 5 year plan presented and approved in July 2008 was being revisited in the light of the shocks to the financial system which took place in Autumn 2008. As a result of this, the Management Board was presented in January 2009 with a paper outlining the consequences of continuing as if nothing had happened and laying the ground work for a revised Business Plan to take into account these financial shocks. This paper also recorded certain steps to be taken immediately, whilst the business planning process unfolded. The paper is attached.

2. There are 2 details from this paper that Council should note:

   a. Appendix 3 sets out the detailed assumptions for the revised base Business Plan. The focus is principally on operating cost reduction. These assumptions are now being given to Faculties and Departments for the preparation of their 5 year plan and their 2009/10 budget.

   b. The Management Board agreed to implement a set of specific actions now, to focus attention on the need to start the process of change.

3. The Council is asked to note this paper and the actions approved by the Management Board.

MPK
THE 5 YEAR PLAN REVISTED

1. At the Away Day on 6th November 2008, I presented a paper on the changed financial background facing the College in the light of the credit crunch. This paper posed a series of questions on the cost base of the College. A copy is attached at Appendix 1. Nothing has happened since 6th November 2008 to make me change my mind that we need, as a matter of some urgency, to start taking active steps to protect our financial position.

2. It is therefore worth starting this with a reminder of the so-called “nightmare scenario”, which I spoke about in November and which was based on the premise that Government finances would deteriorate remarkably quickly in the light of the financial rescue requirements; that inflation might return quite rapidly, notwithstanding that the attention today is clearly focused on deflation; that as inflation – or the fear of the prospect of inflation - crept back into the system, interest rates would rise just as the College went from net cash to net debt; and that Sterling’s depreciation, which has been sharp from Q2 08 and which would help with the level of overseas student income in the short term, would reverse, thereby adversely affecting such income.

3. We have no means of knowing whether this nightmare scenario will occur. But what we can say is that it must be a reasonably plausible outcome and we would be ill-advised to ignore it in our planning assumptions for the future.

4. The problem we face is very clear. Detailed assumptions based on this scenario would lead us to an unsustainable cash position, as set out in Appendix 2.

5. I argued at the Away Day that the College would be, relatively speaking, protected for the next 2 years, mainly on the basis that a Gordon Brown Government does not seem inclined to cut expenditure on the Science agenda. The latest signals from HEFCE, however, mean that I might have been too optimistic, as we are led to believe that we should not assume that the HEFCE grant will rise in nominal terms at all for 2009/10. In other words, the pinch has already begun.

6. So we have to act now to protect our financial position, to manage ourselves to get to a credible and safe cash position in the medium term. I write “cash position” deliberately. I have often said that the surplus figure is presentationally important, but it is a manipulatable figure, driven occasionally by accounting. The cash figure is not. In a not for profit organisation cash is over time, the key test of financial stability.

7. So, there are 3 areas to examine:

   a. New sources of income;

   b. Capital expenditure; and

   c. Operating costs.

8. In the light of the risks arising, I do not think it would be sensible to plan on the basis of reliance on new sources of income, although there are several areas in which we can rest some hopes: Innovations, the College Fund, overseas activities and donations. But realising any such hopes will require firm management and events outside our control turning in our favour. So we can take advantage of the “new income” when we get it and certainly act and manage ourselves to obtain it; but we can’t rely on it.
9. On the capital expenditure programme, I think we should re-address it in any event in the light of the scale of our capital expenditure plans. We need to raise the bar significantly in determining the “need to have” against the “nice to have”; And, as a general point, my firm conviction is that the road to Carey Street starts when borrowing, originally taken out to fund fixed investment, is used instead to meet operating costs. So although I would retain the core approved and planned capital expenditure programme, I would do so only on the basis of an aggressive campaign to reduce operating costs.

10. Two things flow from the above:

   a. Planning and budgeting assumptions should be set with reference to the need to reduce operating costs in the first instance. The proposed detailed assumptions are set out in Appendix 3; and

   b. We should implement now a number of steps to address the operating cost burden:

      (1) Freeze all non-academic external recruitment unless approved by a Committee made up of the Rector, Deputy Rector, College Secretary and Chief Operating Officer and HR Director.

      (2) Make it clear to all eligible staff that bonuses are unlikely to be paid this year.

      (3) Freeze all capital expenditure on programmes not already started so that the PRB can review all such proposals in the context of the above financial picture.

11. The objectives of the above steps are twofold:

   a. To take certain steps now to ensure that the message is received loud and clear that we have to act to address the gravity of the financial situation that might well confront us.

   b. To deliver a plan which keeps the College’s cash position at no worse a level than had been approved in the July 08 Business Plan.

MPK
SOME CHALLENGING QUESTIONS

1. Wages
Can we afford to have a wage policy that is designed to remedy years of academic pay lagging, but which has perversely led to some non-academic salaries going above market rates.

2. Pension Costs
The final salary defined benefit pension is increasingly seen as a luxury the public sector cannot afford. Should we throw ourselves behind reform of USS/SAUL? e.g. raising the retirement age; moving away from final salaries as the base for pension calculations; altering the employer/employee contribution share.

3. Overseas Students
Students from outside the EU make up 30% of our student body. They contribute £60.7m of our income, compared with £21.6m from UK/EU students. And they cover their costs. Should we take advantage of Sterling’s fall to increase the proportion of our student body that pays full fees and how far should we go in this regard? Does it matter if 30% went to 50%, for example.

4. Payment terms: should we tighten the terms of payment for our students, particularly post-graduate? For example, many of our peer group require a 50% payment on offer acceptance and before enrolment

5. Capital Expenditure
We have expended £100m p.a. on average over the last 5 years on capital projects. The effect has been significant. If our cash resources become constrained, are we prepared to borrow more to maintain this level of expenditure; or cut back – and if so, what do we cut back? How do we prioritise a reduced capital expenditure programme?

6. Research Income
We are proud of our volume growth in research income. But should we now actively seek to obtain research contribution, if necessary, at the expense of volume? to obtain cash flow benefits, if necessary, at the expense of volume?

7. International Activities
Is international activity a good thing in itself or should we see international activity as a means of generating surpluses to fund our UK students, our Capex Programme, our research activity. And if both, what is the balance?

8. Donations
Are we succesful enough in seeking alumni and other philanthropic donations? Could we be more successful, and if so, how?

9. Costs
What could we stop doing? What costs do we incur which we could stop incurring?

10. Making a Surplus
Should we build up our surplus in the next two years to provide ourselves with a buffer for hard times ahead and/or to fund our Capex Programme.
## The bad case scenario - unsustainable

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<td>£m</td>
</tr>
<tr>
<td>Net Surplus/(Deficit)</td>
<td>7</td>
<td>9</td>
<td>(9)</td>
<td>(26)</td>
<td>(47)</td>
<td>(70)</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>77</td>
<td>52</td>
<td>35</td>
<td>40</td>
<td>65</td>
<td>55</td>
</tr>
<tr>
<td>Net Debt</td>
<td>(75)</td>
<td>(101)</td>
<td>(118)</td>
<td>(176)</td>
<td>(257)</td>
<td>(352)</td>
</tr>
</tbody>
</table>
The revised assumptions to achieve affordability

- Hefce grant flat
- Staff cost inflation 2% until 2010/11, then 3% p.a.
- Non staff costs increase limited to 2% in 2009/10 & 2010/11, 3% thereafter
- Faculty vote reduced by 5% and flat thereafter
- Central Support Services and Academic Services costs reduced by 5% and flat thereafter

A new affordable plan

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>Net Surplus/(Deficit)</td>
<td>7</td>
<td>30</td>
<td>20</td>
<td>12</td>
<td>2</td>
<td>(8)</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>77</td>
<td>52</td>
<td>35</td>
<td>40</td>
<td>65</td>
<td>55</td>
</tr>
<tr>
<td>Net Debt</td>
<td>(75)</td>
<td>(81)</td>
<td>(68)</td>
<td>(89)</td>
<td>(120)</td>
<td>(154)</td>
</tr>
</tbody>
</table>
1. This paper summarises our current international initiatives and opportunities. Work is underway to revisit the strategic framework for the College's international expansion as part of the work to deliver the College's next Strategic Plan for the period 2010-2013. The Management Board will be discussing this in depth over the coming months with a view to finalising the overall plan by July 2009. This exercise will help us to prioritise our opportunities and allocate resources accordingly. We will thus be in a position to update the Council in the autumn. Key geographical areas under consideration are: the Middle East (Qatar and Abu Dhabi), India, South East Asia, and China, with further consideration of North America, Europe and Africa.

PROJECTS CURRENTLY ACTIVE

2. We have focused our initial efforts on the Middle East, India, and South East Asia (Singapore, Malaysia) where we have several current proposals under consideration.

3. Middle East: Qatar.
   a. Qatar Biobank: proposal for 2-year pilot phase currently being evaluated.
   b. Qatar Genomics: aim is to establish world-leading lab facilities in genomics research.
   c. Qatar Robotics: aim is to build a medical robotics centre as training facility, not clinical. Contract signed with Qatar Foundation in March 2008 for 6 years. £70 million total budget (for infrastructure, robots, installation, maintenance).
   d. Stem Cell Research Centre.

4. India.
   a. The Rajiv Gandhi Centre was established in 2007. It seeks to become the principal catalyst for linking innovation and entrepreneurship within, and between, global and Indian companies and institutions. Its focus on ‘Innovations in Infrastructure’ will cover all its research, executive education and diffusion of best practice activities. Its principal funder is BP. Currently established within the business school, it hopes soon to become independent, in order also to act as a portal for the development of research and other relationships between Imperial and Indian corporations.
   b. Imperial Innovations established i2india at the end of 2007. This is a company in which Innovations holds a one third share and which acts as a branch of Innovations in India.
c. The Imperial College India Foundation has been established by senior Imperial alumni in India to provide funding for postgraduate scholarships for Indian students.

d. College has had great success, gaining 4 Awards in 2007 (including 1 of only 6 Major Awards, £500K) and a further 3 in 2009 for UK-India collaboration under the UK Government's UKIERI (UK-India Education and Research Initiative). These cover areas of Engineering, Natural Sciences and Medicine. The Pro-Rector (International) is chair of the UK Government's UKIERI.

e. Imperial academics have many formal and informal partnerships with Indian counterparts, including over 40 involving academics from the Medical Faculty.

f. In October 2006 Imperial signed a Memorandum of Understanding with the Confederation of Indian Industry covering collaboration in a wide variety of sectors.

5. **SE Asia: Singapore**

a. Major links with A*STAR, the Government research funding agency, A*STAR Research Institutes (RIs), and the 2 top universities (NUS and NTU).

b. Collaborative PhD programme (AIP) with A*STAR; contract renewed in 2008 for further 5 years.

c. Pro-Rector (International) member of A*STAR Graduate Academy International Advisory Panel.

d. Collaborative Summer Schools for PhD students with NTU, NUS and RIs.

e. Multiple collaborative research links between Imperial and Singapore academics.

**PROJECTS CURRENTLY UNDER CONSIDERATION**

6. **India.**

a. Collaboration in key research areas with the new Indian Institute of Science, Education and Research (IISER) Pune, with a focus on basic science.

b. Collaboration in one or two key research areas with IIT Delhi and the new IIT Punjab, with a focus on areas where engineering and natural sciences have application in medicine.

c. Research collaboration with Fortis Healthcare, No 2 healthcare group in India, including a project for the establishment of a National Diabetes Centre, perhaps, along the lines of the Imperial College Diabetes Centre in Abu Dhabi. This is a project which arose out of the Prime Ministerial Summit in 2006 and has the support of the UK-India Joint Economic & Trade Committee (UK Chair: Lord Mandelson).

d. Research collaboration and either collaboration or partnership in medical education with Max Healthcare (No 3 Indian group).

e. India is in the process of creating a number of "medocities", containing both clinical and training facilities. The Faculty of Medicine is discussing involvement in
one such project (in Chandigarh) with Fortis and Max. The aim is to partner one or
the other if one of them wins the bidding.

7. **SE Asia: Singapore.**

   a. Collaborative PhD programmes with NTU and NUS. Discussions and draft
      agreements in progress. Planned to start autumn 2009.

   b. Physical footprint for research, focus areas Infectious Diseases and
      Bioengineering. Next step: visit to Singapore of key staff planned for spring 2009.

   c. Potential involvement in developing the research portfolio of a new medical
      school at NTU. Project under initial discussion.

**ADDITIONAL AREAS CURRENTLY BEING EXPLORED**

8. **Middle East: Abu Dhabi.**

   a. The Diabetes Centre is a great success. Next step is a multi-national clinical
      trial centre within the Diabetes Centre.

   b. The Rector visited AD on 19-20 January 2009; main areas of focus for crown
      prince are health and education of his people, creating new cleaner technologies
      post oil and gas and securities technology.

   c. Initial discussions were started on possible investment by AD in UK private
      hospital and/or venture capital fund with Innovations.

   d. There is also the possibility of locating an Imperial campus in AD but further
      research is needed – this could be in partnership with an existing university in Abu
      Dhabi.

9. **China.**

   a. Focus on Universities of Tsinghua and Jiaotong. MOUs signed 2007. Tsinghua. Pro-Rector
      (International) visited Dec 2008. Collaborative PhD programme under development. PMI2
      funding awarded for collaborative Imperial-Tsinghua project to develop an international
      transferable skills programme for PhD training. Building on foundation of many 1:1
      collaborative research links. Discussions on identification and development of key
      collaborative research areas. Jiaotong. Visit by Pro-Rector (International) planned for
      spring 2009.

   b. Focus on Chinese Academy of Science. Recent visit by Chinese Academy of
      Science.

   c. The Rector is a member of the Chancellor’s China task force, which worked
      on organising the UK-China summit scheduled held recently.

   d. Re-assess the risk involved in the Shanghai Pudong initiative.

10. **SE Asia: Malaysia (Sarawak).**

    a. We are exploring the possibility of entering into an institutional partnership
       with the University of Malaysia in Sarawak.
b. The aim would be to approach the Wellcome Trust for strategic funding to set up a Bio-medical Research and Training Institute under the direction of Professor Jane Cardosa – specialising in emerging infectious diseases in Asia.

c. The focus would be on emerging infections but the unit would also provide a much needed Clinical Tropical training facility for our medical students.

d. We have already written and spoken to the Trust about this initiative and we have been encouraged to put in a preliminary application.
BACKGROUND

1. This paper summarises the College’s results in the 2008 RAE which were announced on 18 December 2008. The document provides the key points to note about the College’s performance and the results at subject Unit of Assessment (UoA) level.

2. The 2008 RAE results are available online at www.rae.ac.uk/results.

3. The 2008 RAE results are expressed differently to the 2001 RAE results. The previous 1 to 5* absolute rating scale has been replaced by a quality profile, which shows the proportion of research activity rated at each quality level 4*, 3*, 2*, 1* and unclassified (see Annex for Data Definitions).

IMPERIAL COLLEGE’S RESULTS IN THE 2008 RAE

4. The results for each of the College’s 22 submissions are provided below. The ‘Position within UoA (% 4*)’ relates to the rank order of all submissions to that subject (UoA) based on the proportion of world-leading (4*) research activity.

Table 1. Results for Imperial College’s submissions to the 2008 RAE

<table>
<thead>
<tr>
<th>Position within UoA (% 4*)</th>
<th>UoA Description</th>
<th>Category</th>
<th>Overall quality profile (%) research activity at quality level</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>01 - Cardiovascular Medicine</td>
<td>64.27</td>
<td>20 45 30 5 0</td>
</tr>
<tr>
<td>7</td>
<td>02 - Cancer Studies</td>
<td>51.55</td>
<td>15 60 20 5 0</td>
</tr>
<tr>
<td>3</td>
<td>03 - Infection and Immunology</td>
<td>102.40</td>
<td>30 40 25 5 0</td>
</tr>
<tr>
<td>5</td>
<td>04 - Other Hospital Based Clinical Subjects</td>
<td>174.10</td>
<td>5 45 20 5 0</td>
</tr>
<tr>
<td>1</td>
<td>06 - Epidemiology and Public Health</td>
<td>32.95</td>
<td>40 30 30 0 0</td>
</tr>
<tr>
<td>6</td>
<td>09 - Psychiatry, Neuroscience and Clinical Psychology</td>
<td>92.30</td>
<td>20 45 25 10 0</td>
</tr>
<tr>
<td>5</td>
<td>14 - Biological Sciences</td>
<td>55.10</td>
<td>10 50 30 10 0</td>
</tr>
<tr>
<td>7</td>
<td>18 - Chemistry</td>
<td>37.20</td>
<td>20 45 35 5 0</td>
</tr>
<tr>
<td>5</td>
<td>19 - Physics</td>
<td>22.80</td>
<td>25 50 20 5 0</td>
</tr>
<tr>
<td>1</td>
<td>20 - Pure Mathematics</td>
<td>21.80</td>
<td>40 45 15 0 0</td>
</tr>
<tr>
<td>7</td>
<td>21 - Applied Mathematics</td>
<td>37.20</td>
<td>20 45 35 0 0</td>
</tr>
<tr>
<td>3</td>
<td>22 - Statistics and Operational Research</td>
<td>13.90</td>
<td>25 50 25 0 0</td>
</tr>
<tr>
<td>2</td>
<td>23 - Computer Science and Informatics</td>
<td>53.40</td>
<td>35 50 15 0 0</td>
</tr>
<tr>
<td>9</td>
<td>24 - Electrical and Electronic Engineering</td>
<td>44.00</td>
<td>20 55 20 5 0</td>
</tr>
<tr>
<td>25 - General Engineering</td>
<td>A - Bioengineering</td>
<td>22.80</td>
<td>25 50 20 5 0</td>
</tr>
<tr>
<td>2</td>
<td>B - Earth Science and Engineering</td>
<td>44.90</td>
<td>25 45 30 0 0</td>
</tr>
<tr>
<td>1</td>
<td>26 - Chemical Engineering</td>
<td>38.00</td>
<td>30 55 15 0 0</td>
</tr>
<tr>
<td>1</td>
<td>27 - Civil Engineering</td>
<td>49.40</td>
<td>40 55 5 0 0</td>
</tr>
<tr>
<td>1</td>
<td>28 - Mechanical, Aeronautical &amp; Manufacturing Engineering</td>
<td>67.00</td>
<td>20 50 15 5 0</td>
</tr>
<tr>
<td>5</td>
<td>29 - Metallurgy and Materials</td>
<td>27.00</td>
<td>20 35 40 5 0</td>
</tr>
<tr>
<td>2</td>
<td>36 - Business and Management Studies</td>
<td>47.60</td>
<td>35 50 15 0 0</td>
</tr>
<tr>
<td>1</td>
<td>62 - History</td>
<td>5.00</td>
<td>40 40 20 0 0</td>
</tr>
</tbody>
</table>
POINTS TO NOTE ABOUT THE COLLEGE PERFORMANCE

5. 73% of the College’s staff had their research judged as world-leading or internationally excellent (namely the proportion of research activity rated 4* or 3*). This was the highest of all UK multi-faculty universities. See Table 2 overleaf.

6. The College submitted 1225 staff to the 2008 assessment, an increase of 6.7% on the 2001 RAE. 93% of staff were selected for inclusion in the 2008 RAE compared to 87% in the 2001 RAE.

7. Six of the College’s submissions had the highest proportion of research judged as world-leading (namely the proportion of research activity rated 4*). These UoAs were Epidemiology and Public Health; Pure Mathematics; Chemical Engineering; Civil Engineering; Mechanical, Aeronautical and Manufacturing Engineering; and History. See Table 1 above.

THE COLLEGE’S OVERALL RESULTS

8. The ‘Top 10’ performance at institutional level is provided in Table 2. The institutions are ordered based on the proportion of world-leading and internationally excellent (namely 4* or 3*) research activity.

9. Please note:
   a. The institutional profile is comprised of the aggregate of the individual UoA quality profiles weighted by Staff FTE.
   b. The data includes submissions to all UoAs.
   c. The data excludes specialist institutions (i.e. those submitting to three or fewer UoAs).

10. These results will be used to determine the allocation of research funding to each Higher Education Institution (HEI) by the Higher Education Funding Council for England (HEFCE). The College’s HEFCE research grant currently equates to £M97pa. The HEFCE research grant for 2009-10 will be announced on 05 March 2009.

Planning Division
January 2009
<table>
<thead>
<tr>
<th>Rank order</th>
<th>Institution name</th>
<th>Category A FTE</th>
<th>Number of submissions</th>
<th>Overall quality profile (percentage of research activity at each quality level)</th>
<th>4*</th>
<th>3*</th>
<th>2*</th>
<th>1*</th>
<th>unclassified</th>
<th>4*&amp;3*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Imperial College London</td>
<td>1224.57</td>
<td>22</td>
<td>25.8% 47.1% 22.6% 4.5% 0.0%</td>
<td>72.9%</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>University of Cambridge</td>
<td>2040.39</td>
<td>50</td>
<td>32.0% 39.2% 23.9% 4.1% 0.8%</td>
<td>71.2%</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>3</td>
<td>University of Oxford</td>
<td>2245.83</td>
<td>50</td>
<td>31.8% 38.6% 24.1% 5.0% 0.6%</td>
<td>70.3%</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>4</td>
<td>London School of Economics and Political Science</td>
<td>490.36</td>
<td>14</td>
<td>34.9% 33.6% 24.6% 6.3% 0.7%</td>
<td>68.4%</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>University College London</td>
<td>1792.68</td>
<td>49</td>
<td>26.6% 39.2% 27.0% 6.4% 0.8%</td>
<td>65.5%</td>
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</tr>
<tr>
<td>6</td>
<td>University of Manchester</td>
<td>1824.34</td>
<td>53</td>
<td>23.1% 42.3% 28.5% 5.9% 0.2%</td>
<td>65.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>University of Warwick</td>
<td>966.35</td>
<td>29</td>
<td>21.3% 43.6% 28.7% 6.4% 0.0%</td>
<td>64.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>University of Essex</td>
<td>322.02</td>
<td>14</td>
<td>22.1% 40.8% 29.8% 6.8% 0.5%</td>
<td>62.9%</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>University of Edinburgh</td>
<td>1639.81</td>
<td>39</td>
<td>22.5% 40.3% 28.2% 7.5% 1.5%</td>
<td>62.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Queen Mary, University of London</td>
<td>686.82</td>
<td>29</td>
<td>18.7% 43.9% 29.1% 7.9% 0.4%</td>
<td>62.6%</td>
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</tbody>
</table>
## Annex - Data Definitions

1. The definitions of the 2008 RAE quality ratings are provided below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category A</td>
<td>Category A staff: Academic staff in post and on College payroll on 31 October 2007 who were selected for submission into the RAE</td>
</tr>
<tr>
<td>FTE</td>
<td>Full Time Equivalent</td>
</tr>
<tr>
<td>4*</td>
<td>Quality that is world-leading in terms of originality, significance and rigour</td>
</tr>
<tr>
<td>3*</td>
<td>Quality that is internationally excellent in terms of originality, significance and rigour but which nonetheless falls short of the highest standards of excellence</td>
</tr>
<tr>
<td>2*</td>
<td>Quality that is recognised internationally in terms of originality, significance and rigour</td>
</tr>
<tr>
<td>1*</td>
<td>Quality that is recognised nationally in terms of originality, significance and rigour</td>
</tr>
<tr>
<td>Unclassified (u/c)</td>
<td>Quality that falls below the standard of nationally recognised work. Or work which does not meet the published definition of research for the purposes of assessment</td>
</tr>
</tbody>
</table>
A Report by the Chairman of the College Fund Board

UPDATE ON ACTIVITY AND PERFORMANCE

1. The Fund continues to operate in a volatile investment environment where all asset classes have been heavily impacted by the deleveraging process being experienced across the world. The Council will recall that the Board has taken action to protect the Fund by focusing on liquidity and allocating a significant proportion of the assets to cash. The second quarter for the current Financial Year completed on 31 January and this report provides detail on the performance and progress of the Fund over that period:

UNITISED SCHEME

2. **Performance.** The defensive asset allocation steps taken last year, and continued during the current year, have provided a degree of protection from losses over the first half of the year. The portfolio delivered a total return performance of -10.9% for the first half against -24% for the FTSE 100 index and nearly -30% for the Dow Jones. The 35% allocation to cash has been the main contributor to capital preservation, and has also been delivering an income return of over 6% for the first six months. However, with the gradual reduction in global interest rates passing through to deposit rates this position will change over the rest of the year, and therefore the Fund will be considering alternative options to maintain the level of income. However, any such options will not be taken up without retaining a commitment to strong liquidity and capital preservation. Performance against the rolling five year benchmark of 4% above the Retail Price Index is shown in the chart below:
3. **Asset Allocation.** The Unitised Scheme has continued to maintain its emphasis of liquidity; therefore there has been relatively little change in the strategic asset allocation position. However, this has been a good opportunity to move the Scheme away from its predominantly passive approach to equity investment and introduce a greater element of active management.

4. Therefore a review of potential long only, thematically driven, active managers was undertaken with the support of the funds investment advisers Asset Risk Consultants. An initial analysis of all fund managers that provide funds with a specifically global focus was undertaken to identify those that had a clear track record of out-performance without undue volatility over at least three years. This quantitative analysis provided a shortlist of fund managers who were then interviewed by the Chief Executive to establish the nature of their investment philosophy – with an emphasis on seeking out managers who invested on the basis of clearly defined themes to ensure a truly focused approach to stock selection and thus avoid the risk of closet tracking.

5. Three main candidates emerged from this process and were therefore proposed for consideration by the Board: GAM (Global Diversified); Veritas (Global Focus and Global Income) and Morgan Stanley (Global Brands). The Board noted that Stewart Newton (Veritas) and David Miles (Morgan Stanley) were connected to the parties involved and therefore agreed that they should be absent from the selection process. On consideration of the proposal, the Board noted that the Global Brands portfolio had opted for a strong allocation to tobacco within its current thematic approach and therefore agreed that it would be inappropriate for the Fund to invest, but they supported the allocations to GAM Global Diversified and Veritas’ Global Income and Global Focus funds.

6. In addition to the allocation to these active Global Managers, the Scheme consolidated its approach to large cap global investment by switching out of its individual geographic index funds and reduced its allocation to the UK through a £9.7m investment in L&G’s Global 100 tracker fund and a further allocation to Emerging Markets. This resulted in a reduced level of exposure to both the UK economy and Sterling and an increased level of global diversification in the Scheme. A summary of the transactions completed on 1 December 2008 is as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Style</th>
<th>30 Nov</th>
<th>Movement</th>
<th>1 Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>M&amp;G Charifund</td>
<td>Active UK Equity Income</td>
<td>£5.7m</td>
<td>(£5.7m)</td>
<td>Nil</td>
</tr>
<tr>
<td>L&amp;G UK 100 Index</td>
<td>Passive UK Equity</td>
<td>£9.5m</td>
<td>(£3.5m)</td>
<td>£6.0m</td>
</tr>
<tr>
<td>L&amp;G US Index</td>
<td>Passive US Equity</td>
<td>£5.1m</td>
<td>(£5.1m)</td>
<td>Nil</td>
</tr>
<tr>
<td>L&amp;G Europe Index</td>
<td>Passive Europe (ex UK) Equity</td>
<td>£2.6m</td>
<td>(£2.6m)</td>
<td>Nil</td>
</tr>
<tr>
<td>L&amp;G Japan Index</td>
<td>Passive Japan Equity</td>
<td>£1.4m</td>
<td>(£1.4m)</td>
<td>Nil</td>
</tr>
<tr>
<td>L&amp;G Pacific Index</td>
<td>Passive Pacific (ex Japan) Equity</td>
<td>£0.6m</td>
<td>(£0.6m)</td>
<td>Nil</td>
</tr>
<tr>
<td>L&amp;G Global Index</td>
<td>Passive Global Equity</td>
<td>Nil</td>
<td>£9.7m</td>
<td>£9.7m</td>
</tr>
<tr>
<td>iShares Emerging Market</td>
<td>Passive Emerging Markets Equity</td>
<td>£3.0m</td>
<td>£1.4m</td>
<td>£4.4m</td>
</tr>
<tr>
<td>GAM Global Diversified</td>
<td>Active Global Equity</td>
<td>Nil</td>
<td>£4.0m</td>
<td>£4.0m</td>
</tr>
<tr>
<td>Veritas Global Income</td>
<td>Active Global Equity Income</td>
<td>Nil</td>
<td>£2.0m</td>
<td>£2.0m</td>
</tr>
<tr>
<td>Veritas Global Focus</td>
<td>Active Global Equity</td>
<td>Nil</td>
<td>£2.0m</td>
<td>£2.0m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>£27.9m</strong></td>
<td><strong>£0.2m</strong></td>
<td><strong>£28.1m</strong></td>
</tr>
</tbody>
</table>

7. Whilst this is a very recent change, and the performance will need to be measured over the longer term, it is worth noting that since the implementation of these changes M&G Charifund has fallen a further 6% and the FTSE 100 has dropped another 3%. Over the same period the Emerging Markets iShare is up over 10%; the Veritas Global funds have increased by 7% on average and the GAM fund is up 1%. Therefore the initial results of this reallocation have been beneficial to the Scheme.

8. **Ceres Power.** In addition to the allocation of the current assets within the Unitised Scheme, the Fund also received just short of 1.8 million shares in Ceres Power (CWR.L) in
January as a result of the relationship with Imperial Innovations. These shares are being consolidated into the Unitised Scheme, with new Redeemable Units to be issued to the Rector and the Faculty of Engineering where the Intellectual Property that established the company arose. The transfer was completed at a price of £1.0525 per share, and therefore represents an addition of £1.9m in net assets to the Unitised Scheme. At the quarter close, the Ceres price had moved marginally to £1.0575; however, following very recent news related to arrangements with Calor Gas to develop Ceres’ technology in the Liquid Petroleum Gas market, the price has moved up to above £1.20. Given the significant nature of the Fund’s holding in Ceres, with the shares representing just over 3% of the company, the Board will be considering the position at the next meeting.

9. **Current Position.** As at 31 January 2009 the Unitised Scheme was allocated against the strategic asset allocation as follows:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Jan 2009</th>
<th>Neutral</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Global Equity</td>
<td>£29.8m</td>
<td>49</td>
<td>55</td>
</tr>
<tr>
<td>Property</td>
<td>Nil</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Long/ Short Equity</td>
<td>£5.3m</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Market Neutral Hedgefunds</td>
<td>£4.0m</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>Cash</td>
<td>£21.5m</td>
<td>35</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>£60.6m</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**SPECIAL CIRCUMSTANCES PORTFOLIO**

**IMPERIAL INNOVATIONS PLC**

10. The Fund holds 52.3% of the share capital of Imperial Innovations within the Special Circumstances Portfolio, subject to a strategic limitation that this position cannot be reduced below 50% without the prior approval of Council. The share price at the end of January 2009 has moved back to £3.175, representing a 20% increase from the year end position, and a 27.5% increase on the position last reported to Council (representing an increase in Net Asset Value for the Fund of over £14m for the year to date). This performance is clearly pleasing, especially against the backdrop of a 50% fall in the FTSE AIM index over the same period, and reflects the positive recent activity in the company including the successful sale of Innovations’ interest in Thiakis, an obesity drug company, to Wyeth Pharmaceuticals for up to £100m.

**NON-CORE PROPERTY**

11. **Sports Centre Flats.** Following ongoing negotiations with Westminster Council terms have been agreed to allow the flats to be let on the open market. Therefore three of the 12 flats have been made available for letting through Savills, and it is anticipated that this will enable the flats to be let on longer term tenancies and thus improve the level of occupancy from its current level of 70% back up above 90%.

12. **Silwood Farmhouse.** A £2m fixed price contract has been agreed to develop out the Farmhouse at Silwood – representing a significant reduction on the original £3.5m estimated cost of development. It is recognised that the reduction in cost reflects the changing construction market, and therefore comes with additional risks. However, the contract was let on a competitive basis against two other bids (including a bid at £1.85m) and Brennans were selected due to their
previous successful work on the Lodge buildings at Silwood and after undertaking due diligence on their current financial status. The Fund will continue to very closely monitor both the progress on the project and the financial performance of Brennans as Main Contractor throughout the build contract, which is due for completion in December 2009.

13. **Property at Wye.** It is worth noting that continued good progress has been made on developing the Non-Core Property portfolio at Wye. Most significantly, the Fund achieved planning permission to convert a former hall of residence, ‘Wolfson House’, into residential flats; works have commenced at Harwood House to create 12 residential units; and vacant possession has been achieved on the Withersdane site.

14. **46-48 Prince’s Gate and Mews (Cornerstone).** The development continues to make good progress, remaining on time for completion in July 2009. The budget position also remains positive, with the current forecast outturn cost at £9.8m against an original budget of £11.2m. The marketing campaign for the property has commenced under the ‘Eredis’ banner – a new brand created to provide a clear distinction from the operational College and to place the property at top end of the lettings market. Further updates will now be posted at www.eredis.co.uk

15. **52 Prince’s Gate.** The building was launched to the market in January, with a target rent level of £550k per annum. This represents a realistic expectation at c.£69.50 per square foot and fully factors in the movements in the commercial office market and would deliver an 18% return on the £3m of capital expenditure incurred, and a 11% return on the total of the capital expenditure and transfer value of the property. Savills and Colliers Godfrey Vaughan are acting as joint agents and have reported back very positively in terms of the quality of the product and review of the market value of the property will be undertaken once a tenant is secured. Full details of the property and the marketing literature are at www.52princesgate.co.uk
16. At the consolidated level it is pleasing to be able to report an increase in Net Asset Value for the year to date in very challenging circumstances, but this still needs to be considered in the context of the target set for the year end in the March 2008 three year plan submission. The development of the property portfolio continues to progress in line with the plan, but there will need to be a re-evaluation of the expectations in relation to the Unitised Scheme and Imperial Innovations in light of the changed market environment.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>31 Jul 08</th>
<th>31 Jan 09</th>
<th>YTD Variance</th>
<th>31 Jul 09</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Estimate</td>
<td>£</td>
<td>%</td>
</tr>
<tr>
<td>Unitised Scheme*</td>
<td>£67.3m</td>
<td>£60.6m</td>
<td>(£6.7m)</td>
<td>(12.0%)</td>
</tr>
<tr>
<td>Special Circumstances:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imperial Innovations</td>
<td>£79.9m</td>
<td>£95.8m</td>
<td>£15.9m</td>
<td>20.0%</td>
</tr>
<tr>
<td>Non Core Property</td>
<td>£73.9m</td>
<td>£82.5m</td>
<td>£8.6m</td>
<td>11.6%</td>
</tr>
<tr>
<td>Debt</td>
<td>(£7.6m)</td>
<td>(£11.1m)</td>
<td>(£3.5m)</td>
<td>n/a</td>
</tr>
<tr>
<td>Total</td>
<td>£213.5m</td>
<td>£227.8m</td>
<td>£14.3m</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

* After distributions of £1.4m for the Year to Date.

SN
Feb 09
INTRODUCTION

1. Imperial Innovations Limited, by letter dated 6 November 2008 (attached as Annex A), has asked the College to indemnify it should it become liable to pay an Exit Payment (being an amount of up to £10,000,000 plus interest) to E F Investments under the EF Investments Agreement entered into on 27 February 2004 between Innovations, E F Investments and the College.

BACKGROUND

2. The Agreement sets out the terms on which E F Investments will invest £10,000,000 in the establishment of the Institute of Biomedical Engineering by the College. (1)

3. In order to protect its investment, E F Investments included in the Agreement a section regarding College Restructuring (Section 8, a copy of which is attached at Annex B). Clause 8.3.2 sets out a requirement for Innovations to make a refund to E F Investments if:

   a. The College decided to restructure its research activities and such restructuring had the effect that the Institute would no longer exist to a material extent in the form envisaged by the Biomedical Engineering Development Plan included in the Agreement;

   b. A redefined programme of bio-medical engineering research in other departments or undertaken by individual researchers at the College was not able to be agreed such that the average annual spend of such departments and researchers was equal to that projected for the Institute; and

   c. (if the matter is referred for resolution by an expert) E F Investments is not satisfied with the terms the expert has determined.

4. In these circumstances, the refund (the Exit Payment) would be equal to the £10,000,000 invested by E F Investments in the Institute less the Total Return (2) received by E F Investments under the Agreement plus interest.

1. The investment of £10,000,000 was paid directly to Innovations and allocated by Innovations as follows:

   (a) £9,000,000 to be spent as detailed in the Biomedical Engineering Development Plan;

   (b) £750,000 to be spent on supporting activity relating to the exploitation of IPR's arising from projects within Imperial Innovations; and

   (c) £250,000 to be spent on the project management of the Plan.

2. Total Return is defined in the Agreement and includes: 50% of the revenue received by Innovations or the College from exploiting the intellectual property rights arising from research carried out by the Institute, revenue from spin out companies of the Institute and the value of shares held by EF Investments in the Institute.
5. The obligation of Innovations to pay the Exit Payment expires if Innovations does not receive a demand to pay the Exit Payment on or before the tenth anniversary of the Agreement, being 27 February 2014.

REQUEST

6. Innovations has requested the College to indemnify it should it become liable to pay the Exit Payment to E F Investments.

7. At the time the College entered into the Agreement, Innovations was a wholly owned subsidiary of the College. Innovations has suggested that the provision requiring Innovations to pay the Exit Payment under the Agreement was originally agreed to in order to be helpful to the College in managing its funding arrangements and, in any case, as a wholly owned subsidiary of the College, the College would make good any shortfall on the part of Innovations if it chose to do so.

8. Innovations is no longer a wholly owned subsidiary of the College and it now maintains an arms length commercial relationship with the College. Innovations has explained that, as the College is the beneficiary of the funding and Innovations is unable to control the circumstances in which the requirement to pay the Exit Payment would be triggered, the liability to pay the Exit Payment should rest with the College.

RISK

9. The College controls the circumstances which would trigger the obligation to pay the Exit Payment. If the College does not intend to restructure its research activities to the extent that the Institute and its work would no longer exist to a material extent, then the risk of having to pay out on such an indemnity is only nominal.

10. As mentioned above, the obligation to pay the Exit Payment expires on 27 February 2014 and therefore the indemnity would be valid for just over 5 years. Consequently, the College would be restricted from large-scale restructuring without E F Investment’s agreement only until 27 February 2014.

11. If we chose not to indemnify Innovations, please note that recent case law (3) has interpreted the word “procure” as having the same legal effect as a guarantee. Consequently, it is possible that our obligation under Clause 8.3.2 to “procure” that Innovations pays the Exit Payment would be construed by a court as a guarantee. Such a decision could result in the College being liable for the total amount of the Exit Payment.

PROPOSAL

12. It is proposed that an indemnity be put in place under which the College will agree to indemnify Innovations if Innovations becomes liable to pay the Exit Payment under the Agreement. The liability of the College under such an indemnity should be limited to an amount equal to the lesser of (a) 92.5% of the Exit Payment; and (b) £9,250,000. This is because £750,000 was allocated by E F Investments to Innovations under the Agreement (see footnote 1).

3. Barnicoat and another v Knight and others [2004] 2 BCLC 464
ACTION

13. The Management Board considered this request at its Meeting on 30 January 2009, when it recommended that, as the College currently has no plans to restructure its research activities to this extent and as the risk involved is therefore nominal, the Council should approve the granting of this indemnity.

14. The Council is therefore asked to consider and, if it sees fit, approve the resolutions set out below.

RFE
LETTER OF REQUEST

Imperial Innovations
12th Floor
EEE Building
Imperial College
South Kensington
London SW7 2AZ

Tel: +44 (0)20 7581 4949
Fax: +44 (0)20 7589 3553
Web: www.imperialinnovations.co.uk

Imperial College of Science, Technology and Medicine
Exhibition Road
London SW7 2AZ

6 November 2008

Dear Sirs

Imperial College of Science, Technology and Medicine ("the College")
Imperial Innovations Ltd ("Innovations")
Agreement dated 27.2.04 between EF Investments, the College and Innovations ("the EFi Agreement")

This is to confirm our request to remove the effect of clauses 8.1 and 8.3.2 of the EFi Agreement inasmuch as they cause Innovations to be held liable to refund to EF Investments the full amount of the funding for the College’s Biomedical Engineering facilities in 2004 by the Esme Farebairn Foundation. The funding in question amounts to £10m and the event which gives rise to this liability is

8.1 If the College decides to restructure its research activities and such restructuring has the effect that the [Biomedical Engineering] Institute shall no longer exist to a material extent in the form envisaged in the Biomedical Engineering Development Plan, then........

8.3.2 If EFi is not satisfied ............EFi shall give to Innovations written notice that this is the case, provided that such notice must be received by Innovations on or before [27 February 2014], and Innovations shall pay to EFi the Exit Payment within 30 days of receipt of that written notice.

Exit Payment refers to the £10m paid by EFi.

At the time of the entering into of the Agreement, Innovations was wholly owned and managed by the College. It is possible that at that time the Agreement was thought by all parties to be helpful to the College in managing its funding arrangements and that in any case any shortfall in Innovations could be made good by the College if it chose to do so. Given the fact that those factual circumstances no longer apply and that Innovations now maintains, for example, arms length commercial arrangements with the College, it is suggested that this arrangement with EFi in clause 8.3.2 and the reasoning for its existence is no longer appropriate or valid and that their continuance could risk a material adverse financial impact on Innovations.

It is suggested that instead, as the beneficiary of the funding from EFi and also as the sole controller of any event under which the funding could be held liable to be returned to EFi, the College and not Innovations should be the entity responsible for and liable for that return of that funding.

Innovations therefore proposes a short agreement whereby the College agrees to pay Innovations if Innovations becomes liable to pay EFi under clauses 8.1 and 8.3.2 as above.

Yours faithfully

Julian Smith
Director

Imperial Innovations Limited, A member of the Imperial Innovations Group plc group
Registered Office: Level 12, Electric and Electronic Engineering Building, Imperial College London SW7 2AZ
Registered in England and Wales No. 2106839, VAT No GB 549 0286 78
EXTRACT FROM THE INVESTMENT AGREEMENT BETWEEN
IMPERIAL COLLEGE, IMPERIAL COLLEGE INNOVATIONS LTD
AND EF INVESTMENTS

8. COLLEGE RESTRUCTURING

8.1 If the College decides to restructure its research activities and such restructuring has the effect that the Institute shall no longer exist to a material extent in the form envisaged in the Biomedical Engineering Development Plan, then the Parties shall negotiate in good faith to redefine the Projects to which this Agreement relates to include other research departments or individual researchers at the College involved in biomedical engineering such that the average annual spend of such departments and researchers is equal to that projected for the Institute as set out in the Biomedical Engineering Development Plan and shall execute an agreement on those agreed terms.

8.2 If the Parties are unable to agree the terms of an agreement as described in Clause 8.1 within 90 days of one of the Parties requesting the negotiation of such an agreement, any Party may refer the terms referred to in Clause 8.1 for settlement by the Expert whose decision shall be final and binding on the Parties.

8.3 If an Expert has determined the terms referred to in Clause 8.1 in accordance with Clause 8.1, within 60 days of receipt of a written decision from the Expert either:

8.3.1 the Parties shall promptly execute an agreement on the terms determined by the Expert; or

8.3.2 if EFI is not satisfied with the terms determined by the Expert, EFI shall give to Innovations written notice that this is the case, provided that such notice must be received by Innovations on or before the tenth anniversary of this Agreement, and Innovations shall, and the College shall procure that Innovations shall, pay to EFI the Exit Payment within 30 days of receipt of that written notice.

8.4 Interest payable in respect of the Exit Payment shall be charged at the rate of 4% per annum compounded quarterly provided that the amount on which interest is due shall be calculated as follows:

8.4.1 the Total Return shall first be deducted from the first instalment of the Further Investment paid by EFI pursuant to Clause 2.2 and Schedule 6,

8.4.2 then if the Total Return exceeds the first instalment of the Further Investment referred to in paragraph 8.4.1 such that some of the Total Return remains after the deduction referred to in paragraph 8.4.1
above, the remainder shall be deducted from the second instalment of the Further Investment;

8.4.3 then any of the Total Return remaining after the deduction referred to in paragraph 8.4.2 shall be deducted from the final instalment of the Further Investment; and

in relation to each instalment of the Further Investment which has not been reduced to zero by the deduction of the Total Return pursuant to this Clause, interest shall be calculated from the date of payment of such instalment.
1. A number of projects were completed on time and to budget before Christmas e.g. the Wolfson Education Centre. The main thrust of current activity in Capital Projects has been focused on L Block, which has now commenced, and Eastside, which is now two weeks ahead of schedule.

2. As noted in the 5 Year Financial Plan Paper, the Project Review Board is conducting a detailed review of all projects approved but not yet started, with a view to re-evaluating them in the light of a tougher “need to have” definition. Projects to an aggregate value of £26m (College spend £18.5m) are affected by this review.

3. We have responded to an HEFCE initiative asking for accelerated capital spending by bringing forward projects to a value of £7.4m, all to be fully funded by HEFCE grants.

4. In the context of the Capital Expenditure Programme overall, Davis Langdon, our building cost consultants, have recently completed a review of construction cost inflation in the UK market. Set out below is their tabulated findings, comparing their January 2009 projection against their projection a year earlier.

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Tender Price Index (Q1 2008) (Master Plan)</th>
<th>Tender Price Index (Q1 2009) (Proposed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>6.0%</td>
<td>(7.8%)</td>
</tr>
<tr>
<td>2009</td>
<td>6.0%</td>
<td>(6.6%)</td>
</tr>
<tr>
<td>2010</td>
<td>6.0%</td>
<td>(4.7%)</td>
</tr>
<tr>
<td>2011</td>
<td>5.0%</td>
<td>2.3%</td>
</tr>
<tr>
<td>2012</td>
<td>5.0%</td>
<td>4.4%</td>
</tr>
<tr>
<td>2013</td>
<td>5.0%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

5. For the SEQ project alone, they estimate a building construction cost saving of c.£35m on the basis of these current projections.

6. Details of the Major Capital Projects on which work is progressing is included in the attached Annex.

MPK
REPORT TO COUNCIL ON MAJOR CAPITAL PROJECTS

SOUTH EAST QUADRANT PROJECT (£75M APPROVED)

1. The first phase of the SEQ programme has now started. This involves ‘enabling works’ on the Skempton building, largely modifications to the existing workshops to enable decanting of current occupants. The selected contractor for this first £6m phase is Wallis, who are also to be the contractors on the second phase of Skempton work; this will involve the creation of shared teaching space on levels 0, 1 and 2, including the construction of a 180 seat lecture theatre. Work at this early stage remains both on budget (£22m) and on schedule, for completion by start of autumn term 2010.

2. Design work is being completed on the Mech Eng 0/1 refurbishment project. It is due to go out for tender in early February with a start date of May 2009. The most complicated elements are the decanting and the design/enclosure of the plant that needs locating on the roof. The design team are revisiting the proposals with a view to minimising the visual impact and codifying the services strategy. The planning application will then be resubmitted in February.

3. Foster and Partners are working on providing proposals and timelines for the development of a mock up of the Exhibition Road Building (ERB) facade form and materials; this is needed for testing maintainability and weathering characteristics.

4. In late 2010 and during 2011 the Black Tower (and the Mech Eng Annex extension) will be demolished. It has been agreed, in principle, that the main entrance will be closed for safety and operational reasons when this is happening. A variety of suitable alternative access routes is being considered.

5. Design work has progressed on the Exhibition Road Building (ERB) such that proposals have been shared within the College Management Board on the proposed locations of, and space allocated to, the Engineering Departments (Aero, Mech Eng, Civil Eng and Computing) and the Business School which will occupy ERB/Mech Eng. These have confirmed the planned occupancy, which aims to maximise the flexibility of the space, with more precise layouts to be developed during the next phase of design. Part of the allocation is to teaching areas. Detailed analysis is underway to establish whether the teaching capacity can be further increased via increasing size of floor plates, relocating plant, increasing density of lecture room occupancy etc.

6. Governance arrangements for the programme have been adjusted through the creation of formal Project Boards for the four current projects (Skempton, Mech Eng 0/1, ERB and Decant Works) and the addition of an SEQ Executive Board, whose members include the Rector and Martin Knight.

7. A Fundraising Board is also being created to be chaired by the Rector. The first fundraising brochure has now been produced.

8. Professor Nigel Bell, (Professor of Environmental Pollution and Director of the MSc in Environmental Technology within the Centre for Environmental Policy) has agreed to become the ‘green conscience’ of the SEQ programme and will work with the programme team on sustainability issues.
9. The leader of WCC, Cllr Colin Barrow, has asked for an informal general meeting on the SEQ proposals. This is in his capacity as a neighbouring resident (at 60 Prince’s Gate) and not as the leader of the Council or a Councillor. Martin Knight will be meeting him on 4 February.

**EASTSIDE (£64M)**

10. The Eastside Project is, overall, two weeks ahead of programme with the internal fit-out significantly ahead in places (up to eight weeks). Delays have occurred on curtain walling to the rear due to some fabrication errors which will result in some inefficient work for the contractor Laing O’Rourke. However, by the end of March we anticipate being able to report significant progress. All of the main plant is in place, sample kitchens and bedrooms have been completed, and one of the lifts is virtually finished. The project remains on budget.

**BLOCKS L AND J (£99M)**

11. Works have commenced on the boreholes for the ground source heat pumps and the demolition of some small buildings has been completed. The contract for main demolition and services diversions for blocks L and J has been awarded to Expanded. The design for Block L has progressed to programme and tenders are due to go out to three shortlisted contractors on 2 February. Detailed planning permission has been secured for Block L and outline planning for Block J is anticipated to be determined in mid-March prior to demolition commencing. The project is on programme and on budget.

**COMMONWEALTH BUILDING REFURBISHMENT (£8.45M)**

12. Levels 6&9 of the Commonwealth Building have now been refurbished and successfully completed on time and on budget to allow the decant from Block L.

**WOLFSON EDUCATION CENTRE (£5.4M)**

13. This Wolfson Education Centre project, including full dining facilities, was completed before Christmas so that the Graduate intake Medical students were able to enjoy the new facilities at the start of spring term. The feedback has been very positive on this much enhanced facility.

**WOLFSON IMAGING CENTRE (£5.5M)**

14. The Imaging Centre is structurally complete, but the equipment has yet to be procured. The remaining work will be completed as a package with the scanner supplier.

**CAPITAL PLANT REPLACEMENT PHASE 3 (£4.0M)**

15. This work is progressing to plan for completion in July 2009. We have applied to HEFCE for funding to bring some of next year’s plant replacement forward.
CABI BUILDING S|LWOOD PARK (£2.6M)

16. Completed and occupied in December on time. This has enabled some decanting from the Manor House. The co-location of students is seen as a significant improvement for their operation.

SCHOOL OF MINES (£21M)

17. The Fuel processing lab has been completed. This completes the refurbishment of the RSM/Bessemer buildings, with the exception of the new Advanced Manufacturing facility.

WYE SCIENTISTS RELOCATION (£2.8M)

18. The “Grodome” has now been constructed on the roof of the Roderick Hill building; services are being installed to meet the spring growth season in April.

COMMUNAL AREAS REFURBISHMENT 2008/2008 (£1.5M)

19. Works are progressing on time and to budget, with a target completion of July 2009.

BEIT QUAD (£3.3M)

19. Phase 2 works are progressing towards July completion.

46-48 PRINCE’S GARDENS AND MEWS (£11.2M COLLEGE FUND)

20. The major College Fund Project is still on track for completion in October 2009. The first show flat will be complete by the end of February.
EXECUTIVE SUMMARY

1. This Annual Report provides an overview of the major activities undertaken between July 2007 and September 2008 to meet our statutory obligations.

2. In addition to progressing the priorities agreed by Management Board and Council in 2007, there have been many successes. In summary:
   a. Implementing the actions outlined in our Disability, Gender and Race Equality Schemes;
   b. Improving our data collection and analysis so that we can monitor progress;
   c. Promoting Imperial As One, our race advisory group, as a model of good practice across the sector;
   d. Responding energetically to the legal enforcement contract in relation to disability;
   e. Establishing Female Faculty Ambassadors to support female academics;
   f. Providing comprehensive training and development to ensure that staff are aware of their equality-related responsibilities for staff, students and visitors;
   g. Providing positive action training to help increase representation of female academics and Black and Minority Ethnic (BME) staff in managerial posts;
   h. Running a wide variety of events to enhance knowledge and understanding, many of which have also served to consolidate partnerships with local communities;
   i. Implementing a significant number and range of events to support ‘Widening Participation’.

3. In spite of considerable dedicated activity designed to increase gender and ethnic origin representation, there is still work to do to address:
   a. Continuing under representation of female academics and researchers - while the percentage of female professors is increasing, the percentages of both female academic and research staff have been largely static since 2004 in spite of considerable and sustained efforts;
   b. Continuing under representation of women on decision-making bodies;
c. Continuing imbalance of female students compared with males overall on undergraduate courses;

d. Continuing under representation of BME staff, particularly at senior levels and in the academic grades, although representation overall is increasing.

4. The key issue that arises in relation to disability is the low disclosure rate by both staff and students.

5. The recommended priorities for the coming year are outlined in Section 3.

INTRODUCTION

6. This fifth Annual Report focuses upon the highlights that have occurred between July 2007 and September 2008 and is divided into three sections:

Section 1: Providing Data and Commentary on Representation;

Section 2: Reports on Progress;

Section 3: Recommendations for Future Action.

7. The College has statutory duties to be proactive to eliminate discrimination and to promote equality in the areas of disability, gender and transgender and race, and to promote good race relations. It is a requirement that these three themes should be fundamental to all of our major functions where relevant. In addition, other equality legislation requires us to address age, religious belief and sexual orientation.

8. This report draws on feedback from those operational areas where matters of equality are within their remit, particularly those functions which have a responsibility for staff or students, together with information from the College’s advisory groups: the Academic Opportunities Committee (gender), Disability Equality Sub-Committee; Imperial As One (race); and Imperial 600 (sexual orientation). Age, religious belief and transgender are included within general diversity activity, such as the work that is being undertaken to eliminate harassment and discrimination.

SECTION 1: DATA AND COMMENTARY ON REPRESENTATION

GENERAL DIVERSITY REPRESENTATION - STAFF

9. Appendix 1 provides a general diversity overview.

ETHNIC ORIGIN – ALL STAFF

10. At the end of 2005, (1) ethnic minority people were 32% of the London region’s working age population. Clearly, the College draws on both a national and international market for academic and research staff but it is probably fair to say that most other roles are filled by those who live in the London region. Currently, 20.7% of all staff are from a

BME/Other background compared with the 32% figure cited above. While acknowledging the market factors in respect of academic and research staff, the indication is that we should be better represented.

11. Overall, however, there has been modest success. Using the November 2006 figure of 19.1% (1204) as a baseline, we set ourselves the target of increasing representation across all staff groups by 1% by March 2008. The actual figure of 20.4% (1299) was slightly ahead of target and had risen again at November 2008 to 20.7% (1359). Appendix 4 provides greater detail by Faculty and grade.

12. Importantly, we also aimed to have greater representation at the more senior levels for support staff. Using the November 2006 figure of 10% (28) in Job Grade levels 5-7 as a baseline, the figure rose to 12.6% (34) a year later and stood at 13.8% (42) at November 2008 see Appendix 4.2.

ETHNIC ORIGIN - ACADEMIC STAFF

13. Analysis of HESA data notes the greater likelihood for academic BME/Other staff to be on the lower rungs of the academic hierarchy (Carter et al 1999). Encouragingly, our experience does not reflect this with the data showing that BME/Other academic staff are not concentrated at the lower levels. It does, however, indicate that overall representation still needs to be addressed - see Appendix 2.

GENDER

14. There has been success in one key area; from the November 2006 baseline of 10% (51) female professors, the figure one year later is 11.6% (60), rising to 12.5% (66) at November 2008. In other respects, however, Appendix 3 is disappointing. Our target, set in June 2004, was, by 2010, to increase the number of female academic staff from 19% (223) to 23%, and to increase the number of female research staff from 36% (664) to 41%. At November 2007, the figures were 19.6% (238) and 36.9% (747), increasing to 20.6% for academics (264) and decreasing slightly to 36.8% (760) for researchers a year later; there is progress but it appears unlikely that our 2010 target will be met.

15. The above is despite sustained and strenuous efforts. Actions have included:

   a. Reviewing the promotion criteria, reviewing how the process is handled at College and local levels and providing briefing sessions for applicants (the success rate for the 2007-08 year was 100% for females and 84% for males);

   b. Providing Elsie Widdowson Awards to female academics so that they can concentrate on their research for one year after returning from maternity leave (the Award is granted automatically);

   c. Providing a dedicated website;

   d. Instituting the Faculty Female Ambassadors who provide support for all female academics within their Faculty and work closely with the Principals to engender change;

e. Publicising our success at winning national awards to show that we are ‘female friendly’;

f. Positive action training, specifically to prepare for senior roles;

g. Expanding our childcare provision to provide spaces for all female academics who request them.

16. Female academics and researchers are applying for posts, are being appointed and promoted. Overall, there are more of them but the hard facts show that the percentage balance has not shifted much. This has led us to look to benchmark our progress against similar universities. Unfortunately, for some institutions the statistics are not accessible, do not show females in Science, Engineering and Technology (SET) subjects, or use different terms to define an academic member of staff. Given that it is difficult for us to find useful comparators, it would appear that, from the crude information that we have been able to gather at this stage, we are behind MIT and UCL in terms of percentages of female academics in SET subjects. Clearly, more benchmarking work needs to be done.

17. Nationally, and locally, there has been wide concern that the transition rate for women between the postdoctoral level (our Research Level B) and Research Fellow/Lecturer (our Level C) is lower than for men. Our data shows that, encouragingly, we are generally increasing the number – if not the percentage - of female Level Bs and there is a mixed picture in relation to females at Research Level C/Lecturer.

18. It is also of interest to note the figures relating to academic and research maternity leave returners see Appendix 5. Since 2001, all but one of the female academics have returned and, as the scheme has become better known, many have received an Elsie Widdowson Award. As might be expected, there has been attrition - exit interviews have shown that some female academics leave to further their careers outside Imperial, or move out of London after having had children. Others have left, however, because they have felt isolated, or because they felt that their department was not flexible enough during and after their pregnancy. Those who felt particularly disaffected said that they were moving to less prestigious institutions but that the ‘pro’ of the move was that they felt that the working environment would be more suitable and supportive. This issue needs to be addressed as a continuing priority. It is envisaged that the Female Faculty Ambassadors, appointed during 2008, will be particularly beneficial in helping to engender the necessary cultural shift.

19. One way of demonstrating the College’s commitment to gender equality is the degree of representation on senior committees. The current gender representation figures are shown below:

<table>
<thead>
<tr>
<th>Senior Committees</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senate Male</td>
<td>42</td>
<td>76.36</td>
</tr>
<tr>
<td>Senate Female</td>
<td>13</td>
<td>23.64</td>
</tr>
<tr>
<td>Council Male</td>
<td>13</td>
<td>68.42</td>
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<tr>
<td>Council Female</td>
<td>6</td>
<td>31.58</td>
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<td>Court Male</td>
<td>93</td>
<td>80.17</td>
</tr>
<tr>
<td>Court Female</td>
<td>23</td>
<td>19.83</td>
</tr>
<tr>
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<td>9</td>
<td>69.00</td>
</tr>
<tr>
<td>Management Board Female</td>
<td>4</td>
<td>31.00</td>
</tr>
</tbody>
</table>

**Total committee members** 203

**Total female committee members** 46

**Total male committee members** 157
20. While female representation, both on Council and the Management Board, has increased in the last two years, the percentage of women on these senior committees is arguably still too low to deliver an unequivocal message about the College’s enthusiasm for greater participation.

DISABILITY REPRESENTATION

21. One key measure of “disability friendliness” is disclosure. It is estimated that one in five of the working age population has a disability, with over 6.9 million disabled people of working age in the UK. (3) The College’s staff disclosure rate is less than 1% and needs to be increased.

AGE DISTRIBUTION

22. In age terms, the College is relatively young with 39.9% of staff being 34 or under, 37.6% in the 35-49 bracket with the rest (22.5%) being 50 and over.

GENERAL DIVERSITY REPRESENTATION - STUDENTS

GENDER AND ETHNIC ORIGIN – BASIC STATISTICS

23. The gender split for all students has remained static for the past two years, with 37% of the total student number being female and 63% male.

24. 44.1% of those students who have disclosed their ethnic origin in the 2007/08 intake (44.2% for the 2006/07 intake and 43.7% in 2005/06) represent 13 BME groups. The largest groups are Indian and Chinese, each representing 11% of the total known population, and with Black students making up 5%.

ADMISSIONS

25. The Undergraduate Admission Committee considers equality issues regularly and reviewed data for the 2007 entry at its meeting in May 2008. In respect of gender, the data indicates that, while 18.88% of undergraduate applicants to the Faculty of Engineering were female, 20.13% of the total of those who were accepted on to courses were female. In the Faculty of Medicine, the proportion of applications to offers was markedly different with 52.48% of female applicants to 40.30% acceptances. For undergraduate courses overall, fewer females were accepted on to courses than had applied i.e. 29.78% of acceptances were female compared with 32.33% of applicants.

26. When assessing the ethnic origin of home students, the Undergraduate Admission Committee noted that the rate of applications from those who declared themselves to be Black Caribbean, Black African and Asian Pakistani was relatively low compared with offers made, with Black African being particularly so. Admission Tutors were advised to look locally to identify if there are any reasons for this and the issue will be considered again at a subsequent meeting.

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EQUALITY AND ATTAINMENT

27. In its Ethnicity, Gender and Degree Attainment Project Report, (4) DfES research shows that being from a minority group (except the Other Black, Mixed and Other groups) was still found to have a statistically significant and negative effect on degree attainment. The research also showed that females are more likely to obtain higher degree classification than males, except when it comes to obtaining a first. Taking the gender point first, and looking at first degree classifications between 2006-07, our females tended to buck this trend in two Faculties and did relatively well getting firsts as shown below:

<table>
<thead>
<tr>
<th>Faculty</th>
<th>Students Getting First Degrees</th>
<th>% of Firsts Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>Female 23%</td>
<td>Female 27%</td>
</tr>
<tr>
<td></td>
<td>Male 77%</td>
<td>Male 73%</td>
</tr>
<tr>
<td>Medicine (BSc)</td>
<td>Female 56.5%</td>
<td>Female 58%</td>
</tr>
<tr>
<td></td>
<td>Male 43.5%</td>
<td>Male 42%</td>
</tr>
<tr>
<td>Natural Sciences</td>
<td>Female 39.5%</td>
<td>Female 33%</td>
</tr>
<tr>
<td></td>
<td>Male 60.5%</td>
<td>Male 67%</td>
</tr>
</tbody>
</table>

28. It is more difficult to make an assessment regarding ethnicity and attainment because we do not know the ethnic origin of a relatively high proportion of students. A snapshot of degree attainment by ethnicity for 2006-07, however, shows that, of the Firsts awarded, 36.2% went to students from BME/Other backgrounds, 31.2% went to those who declared themselves as White and 32.6% went to those whose ethnic origin is unknown.

SECTION 2: REPORTS ON PROGRESS

PROGRESS: GENDER - STAFF AND STUDENTS

29. The College’s Gender Equality Scheme (GES) is a comprehensive scheme that covers male, female and transgender staff and students. It was introduced and published in April 2007 in line with legislative requirements. An annual report on the progress of the Action Plan was published in April 2008.

30. Specifically, in relation to staff, activity has focused on the following areas:

a. The Academic Opportunities Committee (AOC) spearheaded a major initiative by establishing the Female Faculty Ambassadors; each Faculty has set up representative groups so that local issues, ideas and data monitoring are shared with a view to making changes where needed e.g. encouraging female academics to be guest speakers at external and internal events, and increasing the numbers of women on influential decision-making bodies e.g. Research Council/Trust Boards;

b. The Physics Department has become a Juno Supporter and the AOC is supporting individual departments/divisions preparing for Athena Swan Silver Awards so that the College is well placed, eventually, to “Go for Gold”;

c. In order to help address gender imbalance, a new leadership training programme – the Development Centre for Female Academics - was launched during the year to help address the under representation of female academics in senior

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posts, such as Head of Group or Head of Department/Division (and the second programme ran successfully in January 2009);

d. For female postdoctoral research staff, the Springboard development programme has been offered; the College is continuing to take action to implement the “7 Principles of the Concordat” (to support the career development of researchers), with Principle 6 specifically addressing diversity and equality;

e. Enhancing both management skills, and their understanding of equality issues, are important components of the College’s management development programmes for PIs and all other managers;

f. Based on the success of the AOC’s activities, the College is introducing a Gender Equality group for all other staff and will focus on issues of importance to both women and men such as under-representation, promotion and the workplace environment;

g. Equal pay audits are undertaken annually and have revealed insignificant pay disparities. When these have arisen, action has been taken to identify the reasons for gaps and to close them where the reasons cannot be substantiated. Taking the wider view, the narrowest gender pay gaps in the UK are for professional occupations (3.8%) and customer service occupations (5.9%) \[^5\] and many Imperial staff would fall into these categories. National pay differences, however, are estimated at 17.1% \[^6\] and can be as high as 40% for those in part time employment, indicating that the College should continue to monitor pay regularly.

31. A range of activities has taken place in respect of gender equality and students:

a. A Student Women in SET Society has been established and the events held over the year included: a networking event for engineering students interested in careers in industry, a CV workshop, and the launch of Passionate About Research, a networking evening for research students interested in continuing their careers in academia;

b. As part of the widening participation work, open days and summer schools are held and the Society was instrumental in organising two Open Days in February 2008 when over 200 female pupils aged between 14 and 16 attended to encourage A level study in engineering and science-related subjects.

PROGRESS: RACE – STAFF AND STUDENTS

32. Activity in relation to staff:

a. Imperial As One (IAO) is a model of good practice across the sector and, through its work, the College aims to address under-representation of BME staff, and work in collaboration with other key stakeholders, e.g. Imperial College Healthcare NHS Trust;

b. Another achievement was to hold the College’s second special symposium, Equality, Practice and Innovation, in June 2008; this event was particularly

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successful due to the calibre of speakers, including Lord Winston, Sir Richard Sykes and Professor Steve Smith, and their presentations focused on key diversity strands such as *Raising Aspirations in Science, Inclusiveness in Healthcare, Gender Equality, Users of Healthcare Services (disabilities)* and IAO project work;

c. An innovative leadership programme for BME staff was successfully completed in July 2008 (a second programme began in November 2008); this programme has attracted interest from other HEIs and our success continues to enable good practice to be shared in the wider community.

33. Turning to students:

a. The College has increased its efforts and achievements in community participation, for example, the IAO project *Creative Futures*, which has been increased from one day in 2006 to a week of activities in October 2008. *Creative Futures* focuses on raising aspirations for young pupils and targets schools with predominantly multi-cultural and economically disadvantaged populations whose pupils would not normally have the opportunity to visit and engage with a university;

b. The IAO students’ events *Marketing Yourself Creatively* are a regular fixture providing practical advice – the target group includes Chinese and Southern Asians, who form the largest groups of BME students at Imperial;

c. IAO initiatives for schoolchildren complement the College’s outreach programme; in 2007-08, a total of 204 presentations or interview days were given in over 120 schools, with approximately 35,000 pupils and 5,000 parents involved – many schools include pupils from economically disadvantaged backgrounds and many have high BME populations.

**PROGRESS: AGE - STAFF**

34. As an employer, we face an unprecedented challenge in meeting the, sometimes competing, needs of different generations. Activities undertaken include:

a. Using mentoring as a valuable tool for promoting inclusion, intergenerational understanding and useful information transfer – with both mentees and their mentors gaining from the relationship; many of our senior managers and senior academics act as mentors and the College values and appreciates this contribution by those who have demonstrated a proven track record of success and who willingly share their experiences;

b. HR monitors age in relation to recruitment and promotion, undertakes a day-to-day overview on the retirement process, and job descriptions and person specifications to ensure that they are age neutral, and provides regular training on recruitment and selection. During 2009, a project will be undertaken to identify if we are meeting good practice standards across a range of policies and procedures that affect staff and students.

c. As has been noted, the College’s largest age group by a small percentage is 34 and under; we must respond to the attitudes and behaviours of this group in order to attract and retain them at Imperial, particularly as fewer younger people are available to enter the workforce generally. While not targeted specifically at this group, the introduction of our Talent Management initiative for support staff aims to ensure that high potential individuals are developed and retained, and are part of a
systematic succession planning process where appropriate. This builds upon the College’s Management Training Scheme which has been in place for 10 years. Since its inception, there have been 25 trainees with only 3 leaving without taking up a permanent position with us. 7 are current trainees and 11 remain as College employees at Levels 4 and above. All trainees have been white (6 men and 19 women).

PROGRESS: SEXUAL ORIENTATION AND RELIGIOUS BELIEF – STAFF AND STUDENTS

35. Progress which has related specifically to staff has covered the following:

a. Since January 2008, applicants for posts have been asked to declare anonymously their sexual orientation and religious belief, and with the implementation of i-recruitment during 2009-10 it will be possible to track the success rate of applicants (again anonymously). This means that we shall, for example, be able to identify how far a gay man or a Jewish female progresses through the recruitment and selection process;

b. Sexual orientation and religious belief will also be monitored in other relevant exercises, thus providing more comprehensive data so that we can be better informed about the actual and/or potential impact of our policies and procedures;

c. Since 2005, the College has shown its commitment to making progress in sexual orientation equality by being a Stonewall Diversity Champion. Imperial also responds regularly to Stonewall’s Workplace Equality Index which measures the top 100 most gay-friendly employers;

d. The College has supported a sexual orientation advisory group for four years but members felt that its profile and activities had dwindled; in response, in January 2009, the group held a reception to re-launch itself as “Imperial 600”, so named to reflect the estimated lesbian, gay and bisexual population of approximately one in ten of the population;

e. Working closely with Registry, and the Equality Unit, the Chaplain regularly delivers sessions at corporate inductions, engaging with new staff on provision and discussing scenarios likely to occur in the workplace, e.g. the importance of quiet space for contemplation, information on mandatory religious days. While the College is a secular institution, this participation serves to promote inclusion and helps staff to understand how best to be responsive to religious belief in the workplace.

36. Activities which encompass both staff and students include:

a. The College’s training programmes increase knowledge and understanding, therefore enabling participants to effectively challenge stereotypes and myths;

b. We have taken steps to demonstrate to lesbian and gay people that they are welcome at Imperial as staff, students and visitors by, for example, calling upon diversity champions as guest speakers, publishing regular updates and briefings on the web and placing advertisements in specialist diversity publications;

c. The College Chaplaincy makes a significant contribution to the quality of life within Imperial College and the local community by working closely with other faiths, e.g. the Catholic Church, Mosque, and Synagogue. The Chaplain liaises and
collaborates on a number of multi-faith good practice initiatives, e.g. recently taking on a student placement from the Muslim HE Chaplaincy.

PROGRESS: DISABILITY – STAFF AND STUDENTS

37. The Disability Equality Scheme (DES) covers staff and students and a review highlighted key omissions and targets for improvement. Specifically, time scales need to be confirmed, ownership of various activities identified, and greater consultation with staff and students needs to take place. We have, however, conducted more regular consultation/focus groups, trained more staff in how to respond effectively to disabilities and, on a practical level, refurbishments will take an even greater account of disabilities. Improving the existing mechanisms for obtaining direct feedback is a priority.

38. Actions in relation to staff in the past year have focused mostly on working with individuals to enhance accessibility. Our low disclosure rate by disabled staff is to be addressed during 2009 with staff being encouraged to make a declaration using either the new self-service functions or via a confidential paper return.

39. While the disclosure rate for students is higher than that for staff, at approximately 3.5%, this remains half the disclosure rate at universities such as Cambridge and Oxford. Students are being encouraged to disclose disability via mechanisms such as the website and the Student Disability Handbook. All new students have been sent welcome letters with an invitation to discuss any disability issues with the Disabilities Officer. For the first time, the College also provided a dedicated Disability stand at Freshers’ week which attracted a number of queries from students who then arranged individual meetings. This positive initiative, working collaboratively with the Students’ Union, served as a more visible support and welcome mechanism.

40. Further activities for students:

a. The College’s new Disabilities Officer spent considerable time between January – August 2008 on a wide variety of vital student case work; additional resources have also been approved which, in time, will enable her to have more focus upon strategic and policy matters;

b. The College was served with a Section Five Agreement, a legally-binding contract to avoid enforcement action; in response, significant effort has been made to address the recommendations: a major piece of work has been to redevelopment the College’s web site with the involvement of disabled students to ensure that it is relevant and easily navigable, and priorities are to review policies and procedures, collect and assess data to help meet any gaps in provision, ensure more Disability Impact Assessments are carried out and to reinforce commitment to the social model of disability;

c. The Centre for Educational Development’s core workshop ‘Becoming a Personal Tutor’ is a compulsory part of the College’s Certificate in Advanced Study in Learning and Teaching (CASLAT), which all lecturers on probation are required to take. The workshop equips staff to respond effectively to students from diverse cultures and backgrounds and raises awareness of equality policies. In 2007-08, 72 staff attended. A session on ‘Disability and Diversity’ was introduced into CASLAT during 2008. The ‘Course Design (Designing for Learning)’ workshop is also a compulsory element of CASLAT, requiring participants to ensure that their teaching practices are not discriminatory and addresses how their contribution to curriculum design, learning and teaching and assessment promote equality.
PROGRESS: COMMUNITY PARTICIPATION

41. Indicative activities for staff and students:

   a. Community participation has already been discussed in relation to our outreach and widening participation work and representatives from across the sector and the local community attended a range of our events; these valuable links will continue to be developed;

   b. Showcasing commitment to promoting equality and eliminating discrimination through the organisation of events e.g. Diwali was celebrated in November 2007, the Annual Diversity Lecture was given by Yasmin Alibhai-Brown in February 2008, the Annual Athena Lecture was given by Professor Irene Tracey in May 2008, the Academic Opportunities Committee held its annual networking event for senior academics in June 2008 and Imperial As One’s third anniversary was celebrated in July 2008;

   c. Additionally, there are other notable activities such as the creation of a pool of BME mentors who are used to support various development initiatives and who are proven leaders drawn from, or who are working with, local community organisations and the Imperial Volunteer Centre (IVC);

   d. The College has continued to ensure that IVC projects that are based within the local community help to address equality issues. Volunteers have worked on a wide range of projects and examples over the past year include: the Refugee Council, whereby the IVC provides volunteers to tutor refugee children; the After School Homework Project which assists children from BME groups; an administrative support volunteer for Stonewall; the Science Club Project, run by the Baytree Centre which provides educational activities for women from BME backgrounds. The latest volunteer profile shows that 70% were female, 12% staff, 60% undergraduates, 20% postgraduate students, 3% alumni or family members and 5% were undisclosed. Of those students who acted as volunteers, by fee status, 25% were home, 70% were overseas and 5% were EU. This profile has changed from last year to some extent when 60% of volunteers were female and 10% were staff.

SECTION 3: RECOMMENDATIONS FOR FUTURE ACTION

42. The Annual Report was considered by the Management Board at its December 2008 Meeting and it was agreed that, in the coming year, our priorities are to:

   a. Consider a restructuring of the Academic Opportunities and Equal Opportunities and Diversity Committees with a view to providing a single committee with a number of high-profile and energised members able to act as equality and diversity champions;

   b. Commission a research project to study the recruitment and progression of women academics and researchers and to benchmark this against appropriate comparators;
c. Set SMART (Specific, Measurable, Achievable, Realistic and Timed) objectives, particularly in order to implement our Disability, Gender and Race Equality Schemes and associated action plans;

d. Decide whether we should set representation targets for senior committees and other areas and, if so, what they should be;

e. Prepare for the forthcoming Equality legislation and produce a Single Equality Scheme as required;

f. Review and evaluate the impact of the age legislation – taking action as appropriate;

g. Continue to improve our data collection, monitoring and analysis for staff and students;

h. Continue to undertake equal pay audits;

i. Consult staff and students via feedback groups, exit interviews, meetings etc. and implement recommendations as appropriate;

j. Continue to support staff and students in relation to harassment and bullying and review the existing Harassment Support Contacts' Scheme;

k. Extend the range of mandatory equality and diversity training programmes and promote compliance;

l. Ensure greater compliance with our recruitment and selection procedures where they are not followed;

m. Undertake Equality Impact Assessments to meet our statutory duties more systematically;

n. Support academic departments/divisions to achieve ATHENA Silver Awards so that the College can be successful in its goal of ‘Going for Gold’;

o. Examine whether there can be better integration in respect of equality between the staff and student bodies – there are many activities, at many levels, but mechanisms do not exist for systematic knowledge sharing.

43. The Council is asked consider this Report and, if it sees fit, to:

a. Note the activities that have been undertaken and the areas which have been identified as requiring improvement;

b. Highlight any issues that it considers to be of particular importance and make any recommendations in addition to those above.

Professor David Begg – Chair of the Equal Opportunities and Diversity Committee
January 2009
### Appendix 1

**DIVERSITY OVERVIEW – ALL STAFF AT NOVEMBER 2008**

#### 1.1 Gender

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<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
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<td>2006</td>
<td>57.8%</td>
<td>42.2%</td>
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</tr>
<tr>
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<td>57.6%</td>
<td>42.4%</td>
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<tr>
<td>2008</td>
<td>57.5%</td>
<td>42.5%</td>
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#### 1.2 Ethnicity

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<tr>
<th></th>
<th>Asian</th>
<th>Black</th>
<th>Chinese</th>
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<th>Other</th>
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<tr>
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<td>480</td>
<td>233</td>
<td>258</td>
<td>116</td>
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<td>4719</td>
<td>364</td>
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#### 1.3 Disability

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## ETHNIC ORIGIN – ACADEMIC STAFF AT NOVEMBER 2007

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# Gender Overview

## 3.1 College Gender Overview

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## 3.2 Faculty Gender Overview

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### 3.3 Detailed Faculty Gender Overview – Academic and Research Staff (figures rounded to one decimal place)

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</table>

Research – Other = Senior Research Investigators, Research – Old Grades, Clinical Research Fellows, Research Nurses

3 - 2

Council 13 February 2009
## ETHNIC ORIGIN OVERVIEW

### 4.1 Ethnic Origin Overview by Faculty

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4.2 Ethnic Origin Overview by Grade

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<th>Levels 5-6</th>
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### Appendix 5

**FEMALE ACADEMIC AND RESEARCH STAFF RETURNING FROM MATERNITY LEAVE**

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<td>0</td>
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<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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<td>0</td>
<td>0</td>
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<td>1</td>
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<td><strong>8</strong></td>
<td><strong>12</strong></td>
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*NB Data for 2008 is not yet complete*
1. The Minutes of the meeting of the Senate held on 10 December 2008 are attached.  
   The following points are drawn to the attention of the Council.

MINUTE 1184 – PRO RECTOR (EDUCATION)’S BUSINESS

2. Quality Assurance Agency Institutional Audit. The Senate was informed that the dates of Imperial’s next institutional audit had been confirmed by the Quality Assurance Agency (QAA). The QAA’s Briefing Visit would take place on 5-7 January 2010, followed by the Audit Visit on 8-12 February 2010.

MINUTE 1188 – GRADUATE SCHOOL OF ENGINEERING AND PHYSICAL SCIENCES MANAGEMENT COMMITTEE

3. Double PhD with Nanyang Technological University, Singapore

   a. The Senate considered a proposal to establish a double PhD with Nanyang Technological University (NTU). The plan was for a 4 year PhD programme. Students from NTU entering the programme would need to meet the entry requirements of both Imperial College and NTU. The first 12 months would be in Singapore, where students would attend all the courses required by NTU for their First Year. Students who had successfully completed the year at NTU would then proceed to Imperial College to undertake the first 2 years of their PhD. This would be under joint supervision (the joint supervisors and the project having been established during the first year). Students would enrol at Imperial College for all 4 years of the programme although fees would only be charged for the 24 months they were actually in attendance at the College. At the end of the 2 year period at Imperial, i.e. at the end of 36 months from the start of the programme, the students would return to NTU for the final 12 months of their PhD. Some flexibility would be built into the timetable of the programme at the discretion of the Programme Management Committee.

   b. In order to obtain their double PhD, participants would be required to complete the full requirements for a PhD at Imperial College and at NTU. In practice, at Imperial College, this would mean that they would have to have completed a MPhil/PhD Transfer (9-15 months after joining Imperial), the transferrable skills requirements, and have written a PhD thesis. It was anticipated that there would be a single PhD thesis, with a joint viva.

1. The Senate Minutes are not included in these Minutes.
c. The Senate was informed that the programme had been devised for students from NTU only. This did not mean that all the students taking part in the Programme must be Singaporean. Other nationals could be accepted into the Programme provided that they were accepted by NTU and met all the other entry requirements. If students from Imperial College wished to take part in some form of reciprocal programme a different Agreement would have to be drawn up. A more appropriate scheme for Imperial students would be a broader agreement with Singaporean Universities and Research Institutes, where Imperial students would undertake a placement.

d. Subject to final approval by Senate, and the signing of a joint Memorandum of Understanding with NTU, it was anticipated that the first intake of students to NTU would be during the summer of 2009 (there was a normal entry date at NTU for Postgraduate students in July). The Agreement would be subject to renewal, but the initial expiry date would be 2013.

e. The Senate, in discussion, welcomed the concept of collaboration with NTU, but queried whether this would be best achieved by means of a double degree. Members felt that further consideration of the implications of such a move was required.

f. It was agreed that the Graduate Schools should further explore the implications of establishing a double degree with NTU and report their findings to Senate. Attention should be given to the financial implications of offering such a programme, the review processes required, and how the programme was likely to be perceived by both the College's own students and its competitors.

MINUTE 1190 – GRADUATE SCHOOLS' REPORT


a. The Senate approved the capping of resit marks for candidates required to resit any assessment in a taught Master's programme (MSc, MBA, MRes, MEd, MPH) to a pass mark only if they are successful, and further, that resit candidates may not be considered for a Merit or Distinction classification. Examiners would have the discretion to remove capping in individual cases (as at undergraduate level) where there were exceptional circumstances normally related to a candidate's health/illness.

b. The decision brought into line the regulations for resit examinations at taught Master's level with those for students at undergraduate level and ensured consistency of approach between Master's courses.

MINUTE 1191 – RECRUITMENT AND ADMISSION POLICY COMMITTEE

5. Undergraduate Admissions.

a. The Senate heard that a comparative analysis of the 2007 and 2008 undergraduate recruitment cycle had revealed an overall small decrease in applications when set against the 16% reduction implicit in the decrease in UCAS choices from 6 to 5; a significant real increase in applications for Biology, Chemistry and Earth Science and Engineering; and the final College total of undergraduate
enrolments amounting to 179 students over the target intake for 2008, which had resulted from a higher rate of acceptance followed by an increase in achievement of A grades at A-level.

b. To help ensure that confirmation rates for 2009 remained on target, it was agreed, on the recommendation of the Recruitment and Admission Policy Committee, that Admissions Tutors should issue fewer offers at undergraduate level, and that 5 Engineering Departments should normally request A-grades in every A2 module in Mathematics, for 2009 entry. The Department of Chemistry would take the same approach to requirements in Chemistry A level.

c. The Senate approved the use of the new A* grade at A level in offers for 2010 entry and the use of the Cambridge Pre-University Diploma as an acceptable qualification for entry from 2010 onwards. Following advice from SPA (Supporting Professionalism in Admissions), it was also agreed that any mention of exclusion of native language A-levels in College offers should be removed.

6. **Postgraduate Application and Intake Statistics.**

a. The Recruitment and Admission Policy Committee had considered postgraduate application and intake statistics for the 2008 cycle and had noted an overall upward trend, particularly in PGT (+18% applications, +24% intake). However, there was considerable concern voiced over falling PGR applications (-3%) and intake (-26%), especially in the light of news of the demise of the Overseas Research Award Scheme. The Committee had recommended to Senate that every attempt be made to mitigate the effect of the loss of this funding, in order to maintain the quality of applicants.

b. The Senate was informed that PGR application and intake statistics had improved since the data had been considered by the Committee. Updated statistics would be produced by the Registry.

R.E.W
INTRODUCTION

1. The purpose of this paper is to present and seek Council’s endorsement for proposed changes to the Union Constitution.

2. There are three changes that ICU believes will enable us to be more effective in representing the students of Imperial College. These are a change to the structure of the Postgraduate representatives; creation of an International Students Officer; and the separation of the role of the Deputy President (Education and Welfare) into two, a Deputy President (Education), and a Deputy President (Welfare).

POSTGRADUATE REPRESENTATION

3. All Postgraduate Students belong to one of either of the Graduate Schools (GSLSM or GSEPS). Issues relating to their courses are discussed at both of these Committees, which both have student representatives.

4. Undergraduates belong to one of three faculties.

5. At present, Postgraduates are represented through their Faculty in the form of a Research Representative (taught masters students via a taught education/academic affairs officer or masters rep or not at all).

6. All Postgraduate Students are also currently members of the Union’s Graduate Student Association which is designed to facilitate social events and representation for Postgraduate students.

7. The current postgraduate representation system is flawed because Postgraduates are ultimately represented by an Undergraduate student on issues such as research funding and supervision.

8. The GSA’s representation role is currently inadequate that it does not fill the representation role effectively because there is inadequate instruction for the Research Representatives to report to the GSA Chair.

9. All Postgraduate Student Representation should be under the GSA, from department level upwards.

OUTLINE OF PROPOSED CHANGES TO THE ICU CONSTITUTION

10. To create the following five Postgraduate Representatives:

   a. Engineering Postgraduate Representative
b. Physical Sciences Postgraduate Representative

c. Business School Postgraduate Representative

d. Medical School Postgraduate Representative

e. Life Sciences Postgraduate Representative

11. To task the Postgraduate Representatives to:

a. Be responsible for representing Postgraduate students’ views to the Union, College and other groups as necessary,

b. Assist the Deputy President (Education and Welfare) and Graduate School Association’s Chair in the co-ordination of academic and welfare representation of Postgraduate taught or research students in their Graduate School Department,

c. Sit on appropriate Union Committees,

d. Represent the Union’s views on the relevant College Committees,

e. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

12. To amend the Union Committee membership to include the Postgraduate Representatives on:

a. Council

b. Representation and Welfare Board

13. To change the role of the Faculty Academic Affairs Officers (Taught Students) to Faculty Academic Affairs Officers (Undergraduate Students)

14. To change the Ordinary Council membership from:

CGCU (Postgraduate)
RCSU (Postgraduate)
ICSMSU (Postgraduate)

To:

GSEPS x 2
GSLSM x1

CREATION OF AN INTERNATIONAL STUDENTS’ OFFICER

15. Imperial has a growing number of International Students, almost reaching half of our student population.

16. At present there is no representation of International Students in any Committee within the Union.

17. Imperial provides a service for International Students through the International Office, it does not represent them to College.
18. International Students need representation on issues that affect them in particular including payment of fees, personal safety, visa schemes and English Language Support programmes.

19. The most effective way to do this is through the creation of a new International Officer.

OUTLINE OF PROPOSED CHANGES TO THE ICU CONSTITUTION

20. To create an International Officer who shall:

a. Be responsible for those issues which specifically relate to International Students and organise relevant educational and training events and briefings, and report accordingly,

b. Facilitate an International Students Forum,

c. Support International Student involvement in Union and College activities,

d. Be responsible to the Deputy President (Education and Welfare) for the research and implementation of campaigns relating to International Students,

e. Sit on appropriate Union Committees,

f. Represent the Union’s views on the relevant College Committees,

g. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

21. To amend Union Committee membership to include the International Officer on

a. Council

b. Representation and Welfare Board

CREATION OF A NEW STUDENT SABBATICAL OFFICER

22. The position of Deputy President (Education & Welfare) was created in 1999 to meet the representation and welfare needs of Imperial Students. The responsibility for this previously lay with the President of Imperial College Union. Since then, student numbers have increased from 9441 FT + 946 PT in the year 1999-2000 to 12319 FT + 1036 PT in the year 2007-08.

23. Since the creation of 2 central Union Sabbatical Officers in 1972, there has been a three-fold increase in the number of registered students at Imperial. There has not been an equivalent increase in the number of Sabbatical Officers,

24. The position of Deputy President (Graduate Students) was created in 2005 because of a gap in Postgraduate Representation. This role was removed from the Sabbatical team in 2007 mostly due to the difficulty of recruiting a Postgraduate Student to the position. The responsibility for representation of Postgraduate Students then fell jointly between the Graduate Students’ Association Chair (a full time Postgraduate Student) and the Deputy President (Education & Welfare).
25. A significant proportion of the Deputy President (Education and Welfare)’s role is representing students through Committees and individual meetings on many issues. These include, but are not restricted to, the following areas:

- Student Experience
- Health services
- Accommodation
- Careers
- Personal development
- Equal Opportunities and Disabilities
- International Students
- eLearning
- Library
- Humanities
- Student satisfaction- survey results
- Quality Assurance
- Undergraduate Studies Committees
- Graduate School Committees
- Recruitment/ admissions
- Registry Committees
- Security
- Fees/ finance
- Ethics/ environment
- General Welfare Committees

26. In Student Unions nationally, Education and Welfare are represented independently,

27. That only 3 Student Unions out of the Russell Group’s 20 members still have a combined Education and Welfare Sabbatical Officer; all the rest have separate Education and Welfare sabbaticals.

28. The increase in student and course numbers has resulted in a more diverse range of representation challenges which are not entirely met by the current sabbatical structure. Traditionally Postgraduate Students have been the most under-represented.

29. The current responsibilities of the Deputy President (Education and Welfare) cannot be shifted to other Sabbatical Officers due their considerable existing workload.

30. That Quality Assurance is taken seriously by Imperial College, with student input into delivery of education having an ever-increasing role. This responsibility primarily falls to the Deputy President (Education and Welfare). This role cannot be effectively fulfilled by a staff member.

31. It is important to maintain a presence on College Committees, however this has meant the role of Deputy President (Education and Welfare) has become less Union-focused.

32. Much of the work of the Deputy President (Education and Welfare) is reactive due to time constraints. Two separate Education and Welfare sabbaticals would allow each to research and lobby on student issues proactively.

33. It is important to have a central Union Sabbatical to co-ordinate faculty and individual initiatives to improve the delivery of education and welfare services in College.
34. Having separate sabbatical officers for Education and Welfare would mean more focused candidates would run for the respective positions. Traditionally, the Deputy President (Education and Welfare) has been more focused on one aspect of the role.

35. The ICU Community Action Group and ICU RAG would be better supported by a sabbatical involved in projects within the local community.

36. There is space within the Union redevelopment for office space for the additional sabbatical and until that time the two new Sabbatical Officers can share an office.

37. Leaving the NUS in the summer of 2008 made a saving of approximately £45,000 in the Union’s subvention from not having to pay the NUS affiliation fee however this has left the Union without a strong representation support network which will be addressed in the remits of the new roles.

OUTLINE OF CHANGES TO THE ICU CONSTITUTION

38. To remove the position of Deputy President (Education and Welfare) from the Sabbatical team and introduce a Deputy President (Education and Development) and Deputy President (Welfare) with effect from the academic year 2009-10.

DECISION

39. In line with its statutory responsibilities, the Council is asked to consider, and if it sees fit, approve the proposed amendments to the Imperial College Union’s Constitution and those Regulations for which its approval is still required, as set out in Annex A.
Regulation Three - Officers of the Union

A. Officers of the Union

1. The Officers of the Union shall be the:
   1. President,
   2. Deputy President (Clubs and Societies),
   3. Deputy President (Education and Welfare),
   4. Deputy President (Education)
   5. Deputy President (Welfare)
   6. Deputy President (Finance and Services),
   7. Council Chair,
   8. President of the City and Guilds College Union,
   9. President of the Imperial College School of Medicine Students’ Union,
   10. President of the Royal College of Science Union,
   11. Arts and Entertainments Board Chair,
   12. Athletics Clubs Committee Chair,
   13. Graduate Students’ Association Chair,
   14. Media Group Chair,
   15. Overseas Societies Committee Chair,
   16. Recreational Clubs Committee Chair,
   17. Royal School of Mines Committee Chair,
   18. Silwood Park Union Chair,
   19. Social Clubs Committee Chair,
   20. Wye College Union Society President,
   21. City and Guilds College Union Academic Affairs Officer (Taught Students),
   22. Imperial College School of Medicine Students’ Union Academic Affairs Officer (Taught Students),
   23. Royal College of Science Union Academic Affairs Officer (Taught Students),
   24. City and Guilds College Union Academic Affairs Officer (Undergraduate Students),
   25. Imperial College School of Medicine Students’ Union Academic Affairs Officer (Undergraduate Students),
   26. Royal College of Science Union Academic Affairs Officer (Undergraduate Students),
   27. City and Guilds College Union Academic Affairs Officer (Research Students),
   28. Imperial College School of Medicine Students’ Union Academic Affairs Officer (Research Students),
   29. Royal College of Science Union Academic Affairs Officer (Research Students),
   30. Engineering Postgraduate Representative,
   31. Physical Sciences Postgraduate Representative,
25. Business School Postgraduate Representative,
26. Medical School Postgraduate Representative,
27. Life Sciences Postgraduate Representative,
28. City and Guilds College Union Welfare Officer,
29. Imperial College School of Medicine Students' Union Welfare Officer,
30. Royal College of Science Union Welfare Officer,
31. Community Action Group Chair,
32. Equal Opportunities Officer,
33. Welfare Campaigns Officer
34. Rag Chair.
35. International Students' Officer

## Register of Interests

1. A Register of Interests shall be kept for Trustees, Officers of the Union, the Felix Editor, members of the Court and any other person at the discretion of the Trustee Board, Council or Executive Committee.

2. The Register shall be available to all Full Members of the Union and Trustees.

3. The Register shall contain any current part-time external employment, directorships and direct shareholdings, and the Officer’s department/division and year.

4. The Register shall contain all current and former:
   a. courses of study at Imperial College,
   b. employment by the Union or by College,
   c. gifts, hospitality, and free or discounted tickets received in connection with Union business,
   d. sponsorship by any firm in connection with a course of study or Union business,
   e. positions of office held within the Union or any constituent part,
   f. membership of any Union committee,
   g. membership of any Union club or society, and their committees, and
   h. any employment, membership, or positions within the University of London Union, National Union of Students or any other representative student organisation.

5. The Register shall contain any matter not falling in the above categories which could provide information of any pecuniary interest or other material benefit which an Officer receives which might reasonably be thought by others to influence his or her actions, speeches, or votes in committees, or actions taken in his or her capacity as an Officer.

6. Union Officers shall be required to sign the Register as an accurate record of their interests as a requirement of taking office.

7. The Register shall be kept and maintained by the President, who shall be responsible for notifying Officers of the responsibilities and requiring Officers to register.

8. In the event of a dispute on the question of whether a matter is registrable, the Council Chair shall adjudicate and make a ruling, which may be appealed to the Court, whose decision is final.

## C. Job Descriptions for the Sabbatical Officers and the Felix Editor

### 40.2. The President

The Union President shall:
   i. Execute the policy and further the aims and objects of the Union,
   ii. Be the ultimate representative of the Union,
   iii. Be the chief executive officer of the Union,
   iv. Be responsible for the activities of the Union,
   v. Act as a Trustee *ex-officio*,
   vi. Be responsible to the Court for the Union's Elections,
   vii. Be responsible for constitutional development and preliminary interpretation,
   viii. Be responsible for the finances of the Union,
ix. Be responsible for staffing and discipline issues,

x. Be the manager of the other Sabbatical Officers in their role as employees and co-ordinate their work and that of the non-sabbatical Officers of the Union,

xi. Be the manager of the Felix Editor and other holders of sabbatical office, in their role as employees, without prejudice to their operational and representative independence,

xii. Delegate the duties and responsibilities of Officers in the case of vacancies of if any Officer is unable to carry out his or her duties,

xiii. Be responsible for the work of the Executive Committee,

xiv. Chair relevant Union Committees,

xv. Liaise with Union and College staff as appropriate,

xvi. Represent the Union on external committees as appropriate,

xvii. Be responsible for Health and Safety across the whole Union,

xviii. Report to Union Committees as appropriate, and

xix. Negotiate extra duties for Union Officers where appropriate.

### Deputy President (Finance and Services)

The Deputy President (Finance and Services) shall:

i. Uphold the policy and further the aims and objects of the Union,

ii. Take on Presidential duties as appropriate,

iii. Be responsible to the President for all aspects of the Union finances,

iv. Be responsible to the President for the Union’s commercial services,

v. Co-ordinate trading forums and the finance-related aspects of the Clubs and Societies Board,

vi. Liaise with Union and College staff as appropriate,

vii. Represent the Union on external committees as appropriate,

viii. Report to Union Committees as appropriate, and

ix. Negotiate other duties with the President.

### Deputy President (Clubs and Societies)

The Deputy President (Clubs and Societies) shall:

i. Uphold the policy and further the aims and objects of the Union,

ii. Take on Presidential duties as appropriate,

iii. Be responsible for the effective co-ordination and representation of Union Clubs and Societies, in conjunction with the relevant Union committees,

iv. Be responsible to the President for Health and Safety issues within clubs and societies, and chair and administer the Union Health and Safety Committee,

v. Be responsible for the organisation of Freshers’ Fayre,

vi. Liaise with the Clubs and Societies Administrator to ensure that appropriate support is being given to all Union clubs and societies,

vii. Liaise with other Union and College staff as appropriate,

viii. Attend the relevant Union Committees,

ix. Represent the Union on external committees as appropriate,

x. Represent Union Clubs and Societies to the British Universities Sports Association,

xi. Report to Union Committees as appropriate, and

xii. Negotiate other duties with the President.

### Deputy President (Education and Welfare)

The Deputy President (Education and Welfare) shall:

i. Uphold the policy and further the aims and objects of the Union,

ii. Take on Presidential duties as appropriate,

iii. Be responsible for welfare issues and services for all Union members,

iv. Be responsible for co-ordinating the provision of student development and progression within Union activities,

v. Be responsible for keeping College informed of student opinion on academic affairs,

vi. Be responsible for the academic concerns of all Union members,

vii. Be responsible for co-ordinating and publicising all campaigns concerning equal opportunities and welfare issues,

viii. Liaise with the Graduate Students Association Chair on all matters concerning students registered on postgraduate courses,
ix. Be responsible for organising the training of Union Officers,
x. Assist the President in enforcing the Union's Equal Opportunities Policy,
xii. Liaise with Union and College staff as appropriate,
xiii. Attend the relevant Union Committees,
xiv. Represent the Union on external committees as appropriate,
xv. Report to Union Committees as appropriate, and
xvi. Negotiate other duties with the President.

6. Deputy President (Education)
The Deputy President (Education) shall
i. Uphold the policy and further the aims and objects of the Union,
ii. Take on Presidential duties as appropriate,
iii. Be responsible for identifying and informing College of student opinion on academic affairs and suggesting areas for development,
iv. Work with College on enhancing the student experience and provision for student development,
v. Be responsible for the training and running of a Representation Network for the Academic Representatives of the Faculty Unions and other student bodies,
vi. Liaise with the Faculty Unions and Graduate Students Association on all academic matters concerning Undergraduate and Postgraduate students respectively,
ix. Report to Union Committees as appropriate, and
xii. Negotiate other duties with the President.

7. Deputy President (Welfare)
The Deputy President (Welfare) shall
i. Uphold the policy and further the aims and objects of the Union,
ii. Take on Presidential duties as appropriate,
iii. Be responsible for identifying and informing College of student opinion on welfare issues and suggesting areas for development,
iv. Be responsible for representing the welfare needs of all students, including minority or under-represented groups to the College,
v. Be responsible for coordinating and publicising all campaigns concerning equal opportunities and welfare issues.
vi. Be responsible for maintaining and running a Welfare Network for the Welfare Officers of the Faculty Unions and other student bodies,
ix. Assist the President in enforcing the Union's Equal Opportunities Policy,
ixii. Report to Union Committees as appropriate, and
xii. Negotiate other duties with the President.

44.8. Felix Editor
The Felix Editor shall be responsible to Council for:
i. The running and management of Felix in accordance with the Felix Constitution, the Code of Practice for ICU Publications, Annex F of the Code of Practice and its other provisions for Union media, College Code of Practice (Freedom of Speech) and Section 43 of the Education (No.2) Act 1986 and any subsequent amendments of the above,
ii. The proper financial management of Felix and adherence to budget,
iii. Ensuring that the editorial responsibilities of fair play and honesty prevail whilst defending the concept of editorial freedom,
iv. The recruitment of such assistance as is necessary, from the student body of Imperial College in the first instance, and
v. Any inaccuracies appearing in Felix articles which have been presented implicitly or explicitly as facts.
### iii.B. Job Descriptions for Other Union Officers

#### 45.9. The Presidents of the Faculty Unions and Chairs of the Club and Societies Committees, Graduate Students Association, Community Action Group and Rag

The Presidents of the Faculty Unions, and Chairs of the Club and Societies Committees, Graduate Students Association, Community Action Group and Rag Chair, in addition to any duties laid down by their respective Faculty Union or committee, shall:

i. Represent the interests of their members at the appropriate Union, Faculty and College Committees,

ii. Be responsible for the development and preliminary interpretation of their constitutions,

iii. Be responsible to the Deputy President (Finance and Services) for all aspects of their union’s or committee’s finances,

iv. Be Responsible to the Deputy President (Clubs and Societies) for the duty of care and Health and Safety of their members,

v. In the case of Faculty Union Presidents, Graduate Students’ Association Chair, the Overseas Societies Committee Chair, Silwood Park Chair and Wye College Union Society President, be responsible to the Deputy President (Education and Welfare) for the education and welfare issues of their members,

vi. Be accountable to Council for the activities of their union or committee, and

vii. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

#### 46.10. The Council Chair shall:

i. Chair Council and other relevant Union committees,

ii. Uphold the duties and responsibilities detailed in the Constitution and Regulations,

iii. Be independent and impartial in all proceedings and duties as Council Chair,

iv. Shall not sit as an ordinary member of the Executive Committee, Clubs and Societies Board or Representation and Welfare Board,

v. Act as a Trustee *ex-officio*, and

vi. Carry out such duties and responsibilities as may, from time to time, be laid down by the Council.

#### 47.11. The Equal Opportunities Officer shall:

i. Be responsible to the Deputy President (Welfare)

ii. Be responsible for those issues which specifically relate to Equal Opportunities and organise relevant educational and training events and briefings, and report accordingly,

iii. Sit on appropriate Union Committees,

iv. Represent the Union’s views on the relevant College Committees,

v. Assist the President in enforcing the Union’s Equal Opportunities Policy, and

vi. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

#### 48.12. The Graduate Students Association Chair

The Graduate Students Association Chair shall, in addition to the responsibilities established in paragraph 15 and laid down by the Graduate Students’ Association:

i. Be responsible for the effective representation both to the College and within the Union itself of students registered on postgraduate courses,

ii. Be responsible for the effective co-ordination of the Union’s services to, and activities for, students registered on postgraduate courses,

iii. Support postgraduate students’ involvement in all relevant areas of Union and College activity,

iv. Liaise with Union and College staff as appropriate,

v. Attend the relevant Union Committees,

vi. Represent the Union on external committees as appropriate, and

vii. Report to Union Committees as appropriate.

#### 49.13. The Welfare Campaigns Officer shall:

i. Be responsible for suggesting areas of interest to the Union that relate to welfare support,
ii. Be responsible for researching sources of information and implementing campaigns relating to areas of interest to the Union that relate to welfare support, and report accordingly.

iii. Be responsible to the Deputy President (Education and Welfare) for the research and implementation of campaigns.

iv. Be responsible to the Deputy President (Welfare) for the research and implementation of campaigns.

v. Sit on appropriate Union Committees.

vi. Represent the Union’s views on the relevant College Committees.

vii. Implement welfare campaigns as determined by the Representation and Welfare Board, and

viii. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

20.14 The Faculty Academic Affairs Officers shall:

i. Be responsible for representing students’ views to the Union, College and other groups as necessary,

ii. Assist the Deputy President (Education and Welfare) in the co-ordination of academic representation of taught or research students in the Faculty,

iii. Assist the Deputy President (Education) in the co-ordination of academic representation of Undergraduate students in the Faculty

iv. Represent the Union’s views on the relevant College committees,

v. Attend the relevant Union committees,

vi. Be responsible to the Deputy President (Education and Welfare) for the academic representation of taught or research students in the Faculty, and

vii. Be responsible to the Deputy President (Education) for academic representation of Undergraduate Students in the Faculty and,

viii. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

15. The Postgraduate Representatives shall:

i. Be responsible for representing Postgraduate students’ views to the Union, College and other groups as necessary,

ii. Assist the Deputy President (Education), Deputy President (Welfare) and Graduate School Association’s Chair in the co-ordination of academic and welfare representation of Postgraduate taught or research students in their Graduate School Department,

iii. Sit on appropriate Union Committees,

iv. Represent the Union’s views on the relevant College Committees,

v. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

21.16 The Faculty Welfare Officers shall:

i. Be responsible for suggesting areas of interest to the Faculty and the Union that relate to welfare support,

ii. Be responsible for researching sources of information and implementing campaigns relating to areas of interest to the Faculty and the Union that relate to welfare support, and report accordingly,

iii. Be responsible to the Deputy President (Education and Welfare) for the research and implementation of campaigns,

iv. Be responsible to the Deputy President (Welfare) for the research and implementation of campaigns,

v. Sit on appropriate Union Committees,

vi. Represent the Union’s views on the relevant College Committees,

vii. Implement welfare campaigns as determined by the Welfare Committee, and

viii. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

17. The International Students’ Officer shall:
i. Be responsible to the Deputy President (Welfare)
ii. Be responsible for those issues which specifically relate to International Students and organise relevant educational and training events and briefings, and report accordingly,
iii. Facilitate an International Students Forum,
iv. Support International Student involvement in Union and College activities,
v. Be responsible to the Deputy President (Education and Welfare) for the research and implementation of campaigns relating to International Students,
vi. Sit on appropriate Union Committees,
vii. Represent the Union’s views on the relevant College Committees,
viii. Carry out such duties as may, from time to time, be laid down by the Council or the Executive Committee.

iv. Job Descriptions for Delegates

9. Delegates to the National Union of Students and University of London Union.
   Delegates elected to represent the Union to the National Union of Students (“NUS”) and the University of London Union (“ULU”) shall:
   1. Attend all Union relevant meetings and represent the views of the Union to NUS conferences and ULU meetings,
   2. Work with all other Union delegates to support motions that the Union Council believes further the aims, objects and policies of the Union,
   3. Work with all other Union delegates to prevent motions that the Union Council believes work against the aims, objects and policies of the Union from being passed,
   4. Be forbidden from joining any NUS or ULU political or religious faction,
   5. Where clarification is required on matters concerning 32.i to 32.iv, the delegate shall seek and act upon the guidance of the President.

10. Any NUS National Conference or other delegate who fails to attend the NUS National Conference or other conference respectively without giving ten College days’ notice and a reason to the satisfaction of the President or, in the view of the Council expressed through a disciplinary motion, fails to fulfil the tasks outlined in paragraph 22 shall be disqualified from being elected to NUS Conference positions again.

11. Any ULU meeting delegate who fails to attend two ULU meetings of which he or she is a delegate or member without giving five College days’ notice and a reason to the satisfaction of the President shall be deemed to have automatically resigned from their position and will be disqualified being elected to ULU delegate positions again on behalf of the Union.
Regulation Five - Composition of Union Committees

A. The Council

1. The Council shall consist of:

The Chair of Council

Council Chair.

Sabbatical Officers

President,

Deputy President (Clubs and Societies),

Deputy President (Education & Welfare),

Deputy President (Education and Welfare),

Deputy President (Welfare),

Deputy President (Welfare),

Deputy President (Finance and Services),

Non-sabbatical Officers

President of the City and Guilds College Union,

President of the Imperial College School of Medicine Students’ Union,

President of the Royal College of Science Union,

Graduate Students Association Chair,

Arts and Entertainments Board Chair,

Athletic Clubs Committee Chair,

Media Group Chair,

Overseas Societies Committee Chair,

Recreational Clubs Committee Chair,

Royal School of Mines Committee Chair,

Silwood Park Chair,

Social Clubs Committee Chair,

Wye College Union Society President,

Equal Opportunities Officer,

Community Action Group Chair,

Rag Chair,

Welfare Campaigns Officer,

International Students’ Officer

City and Guilds College Union Academic Affairs Officer (Taught Students) (Undergraduate Students),

Imperial College School of Medicine Students’ Union Academic Affairs Officer (Taught Students) (Undergraduate Students),

Royal College of Science Union Academic Affairs Officer (Taught Students) (Undergraduate Students),

City and Guilds College Union Academic Affairs Officer (Undergraduate Students),

Imperial College School of Medicine Students’ Union Academic Affairs Officer (Undergraduate Students),
xxvii. Royal College of Science Union Academic Affairs Officer (Undergraduate Students),

xxvi.xxviii. City and Guilds College Union Academic Affairs Officer (Research Students),
xxvii.xxviii. Imperial College School of Medicine Students’ Union Academic Affairs Officer (Research Students),
xxviii.xxx. Royal College of Science Union Academic Affairs Officer (Research Students),

xxvii. Engineering Postgraduate Representative,
xxviii. Physical Sciences Postgraduate Representative,
xxix. Business School Postgraduate Representative,
xxx. Medical School Postgraduate Representative,
xxxii. Life Sciences Postgraduate Representative,

xxix.xxxi. City and Guilds College Union Welfare Officer,
xxx.xxxii. Imperial College School of Medicine Students’ Union Welfare Officer,
xxxii.xxxiii. Royal College of Science Union Welfare Officer,

Ordinary Members

xxxi.xxxiv. Fifteen Union Councillors elected proportionately from undergraduate and postgraduate Faculty constituencies,
xxxii.xxxv. One Union Councillor elected by non-Faculty Students.

The President shall review the allocation of Councillors annually to ensure that it remains representative of the proportions of students in each constituency.

Permanent Observers

xxxiv.xxxvi. The Felix Editor,
xxxv.xxxvii. The Court Chair and Deputy Court Chair,
xxxvi.xxxviii. The Union General Manager, and
xxxviii.xxxix. The Honorary Senior Treasurer.

B. The Executive Committee

2. The Executive Committee shall consist of:
   1. the Sabbatical Officers,
   2. the Presidents of the Faculty Unions,
   3. the Graduate Students’ Association Chair two Clubs and Societies Committee Chairs, elected by the Council as ordinary members on the recommendation of the Clubs and Societies Board, and
   4. two members of the Representation and Welfare Board, elected by the Council as ordinary members on the recommendation of the Representation and Welfare Board,

3. Each member is of equal status to every other member. No member is the representative of any group within the Union or the College.

4. The Executive Committee shall be chaired by the President or his or her nominee.

5. The Honorary Senior Treasurer and Union General Manager shall attend as permanent observers.
6. Appropriate staff members determined by the President, as advised by the Union General Manager, shall have permanent observer status and shall present reports detailing activities within their areas of responsibility.

7. The Executive Committee shall meet at least once a term specifically to discuss trading and financial matters.

8. The Executive Committee may require any person within the Union except members of the Court, Trustee Board or the Council Chair to attend, answer questions and produce relevant documents. The Executive Committee may authorise the searching of any premises within the Union.

9. The Executive Committee’s powers and responsibilities are set out in section 8 of the Constitution.

C. The Clubs and Societies Board

10. The Clubs and Societies Board oversees the clubs, societies, Rag, Community Action Group and the central activities of Faculty Unions and Club and Society Committees. It does not oversee commercial, welfare or academic matters.

11. The Clubs and Societies Board shall allocate funding to the clubs, societies, Rag, Community Action Group and the central activities of the Faculty Unions and Club and Society Committees, according to Union or operational policy, in particular the Union’s policy on the fair allocation of resources.

12. The Clubs and Societies Board may determine policy governing the management, governance and finance of the areas of the Union within its jurisdiction, subject to Union policy and operational policy.

13. The Clubs and Societies Board shall consider best practise on the running of student activities. It shall also be a forum for the resolution of disputes among clubs and societies.

14. The Clubs and Societies Board shall report its business to the Executive Committee and the Council.

Membership

15. The Clubs and Societies Board shall consist of:
   1. The Sabbatical Officers,
   2. A representative appointed by each Faculty Union,
   3. A representative appointed by the Overseas Societies Committee,
   4. A representative appointed by the Silwood Park Union,
   5. A representative appointed by the Wye College Union Society,
   6. The Chairs of the other Clubs and Societies Committees,
   7. The Community Action Group Chair, and
   8. The Rag Chair.

16. The Clubs and Societies Board shall be chaired by the Deputy President (Clubs and Societies) or their nominee. It shall have a quorum of six members, of whom at least three shall not be Sabbatical Officers.

17. The Union General Manager and other appropriate staff members determined by the President, as advised by the Union General Manager, shall have permanent observer status.

Meetings

18. The Clubs and Societies Board shall meet at least once per month during term time.

19. An emergency meeting of the Clubs and Societies Board may be called by:
   1. A Sabbatical Officer,
   2. Five members of the board,
   3. The board itself, the Executive Committee or the Council, or
   4. Thirty Full Members of the Union.

D. The Representation and Welfare Board

Powers and responsibilities
20. The Representation and Welfare Board shall co-ordinate, manage and act as a forum for issues relating to student welfare, academic affairs, accommodation, representation, campaigns, diversity and equality.

28.21. The Representation and Welfare Board shall allocate funding for the better provision of such services and campaigns as it deems fit, subject to Union or operational policy, in particular the Union’s policy on the fair allocation of resources.

29.22. The Representation and Welfare Board shall determine policy within its operation, subject to Union policy and operational policy. It may only approve any policy stating the views of the Full Membership or committing the Union to a political position with the approval of the Council.

30.23. The Representation and Welfare Board may create and assign campaigns portfolios to any officer or co-opted member of the committee, whose job descriptions shall be defined in policy.

24. The Representation and Welfare Board shall oversee the activities of Rag and the Community Action Group.

34.25. The Representation and Welfare Board shall report its business for approval by the Executive Committee and the Council.

Membership

32.26. The Representation and Welfare Board shall consist of:

1. The Sabbatical Officers,
2. Presidents of the Faculty Unions,
3. Graduate Students’ Association Chair,
4. Equal Opportunities Officer,
5. Welfare Campaigns Officer,
6. International Students’ Officer,
7. RAG Chair,
8. CAG Chair,
9. A representative appointed by the Overseas Societies Committee,
10. The Faculty Welfare Officers,
11. The Faculty Academic Affairs Officers (Taught Students),
12. The Faculty Academic Affairs Officers (Research Students),
13. The Postgraduate Representatives,
14. A representative appointed by the Halls Committee, and
15. Such additional voting or non-voting members as it may co-opt.

33.27. The Representation and Welfare Board shall be chaired by the Deputy President (Education and Welfare), and may co-opt other non-voting members. It shall have a quorum of six members, of whom at least three shall not be Sabbatical Officers.

27. The Representation and Welfare Board shall be chaired alternately by the Deputy President (Education and Development) and the Deputy President (Welfare) and may co-opt other non-voting members. It shall have a quorum of six members, of whom at least three shall not be Sabbatical Officers.

27. Staff members determined by the President, as advised by the Deputy President (Education & Welfare) and the Union General Manager may attend and present reports.

28. Staff members determined by the President, as advised by the Deputy President (Education), Deputy President (Welfare) and the Union General Manager may attend and present reports.

Meetings

29.29. The Representation and Welfare Board shall meet at least once per month during term time.

29.30. An emergency meeting of the Representation and Welfare Board may be called by:
1. A Sabbatical Officer,
2. Five members of the board,
3. The board itself, the Executive Committee or the Council, or
4. Thirty Full Members of the Union.

Halls Committee
The Halls Committee shall be a standing sub-committee of the Representation and Welfare Board, and may consider and co-ordinate any issue relating to the provision of accommodation and related services to Imperial College students within the College.

It shall consist of:

28.1. The Sabbatical Officers,
29.2. One representative for each College Hall of Residence, and
30.3. A representative appointed by the Overseas Societies Committee.

It shall be chaired by the Deputy President (Education and Welfare) and have a quorum of seven voting members.

It shall be chaired by the Deputy President (Welfare) and have a quorum of seven voting members.

It shall meet upon the request of the Representation and Welfare Board, a Sabbatical Officer or six members.

A. The Faculty Unions

5. The Faculty Unions, shall consider welfare and academic affairs issues relating to students at those respective faculties and shall provide for the co-ordination of student activities within their Faculty.

6. The Faculty Unions are the governing committees of their clubs and societies, and their decisions are binding upon clubs and societies administered by them.

7. The Faculty Unions are:
   a. The City and Guilds College Union, for the Faculty of Engineering,
   b. The Imperial College School of Medicine Students' Union, for the Faculty of Medicine.
   c. The Royal College of Science Union, for the Faculty of Natural Sciences.

8. Faculty Unions have constitutions that shall govern their activities, subject to any Union rule.

9. Constitutions or standing orders shall be approved by the Executive Committee

10. The President of the Faculty Union shall make preliminary interpretations of their constitution, which shall be reported to the Faculty Union Executive Committee. Appeals against preliminary interpretations can first be made to the President and ultimately to the Union Court whose decision is final.

B. The Clubs and Societies Committees

Names

11. The Clubs and Societies Committees shall be the:
   a. Arts and Entertainments Board,
   b. Athletics Clubs Committee,
   c. Media Group,
   d. Overseas Societies Committee,
   e. Recreational Clubs Committee,
   f. Royal School of Mines Committee,
   g. Silwood Park Union,
   h. Social Clubs Committee, and the
   i. Wye College Union Society.

General

12. The Clubs and Societies Committees shall provide for the co-ordination and development of student activity within their clubs and societies or central activities. Silwood Park and Wye College Union Society shall consider academic affairs and welfare issues relating to their members.

13. The Clubs and Societies Committees may elect, mandate, censure and dismiss their officers. They are the governing committees of their clubs and societies, and their decisions are binding upon clubs and societies administered by them.

Constitutions or Standing Orders
14. The Silwood Park Union and the Wye College Union Society shall operate under their own constitutions which shall govern their activities, subject to any Union rule.

15. Club and Society Committees (except Silwood Park Union and Wye College Union Society) shall adopt standing orders which shall govern their activities, subject to any Union rule.

16. Constitutions or standing orders shall be approved by the Council.

17. The Chair or President of the Club and Society Committee shall make preliminary interpretations of their constitution, which shall be reported to the Faculty Union Executive Committee. Appeals against preliminary interpretations can first be made to the President and ultimately to the Union Court whose decision is final.

C. The President’s Committees

Names
18. The President’s Committees shall be the:
   a. Colours Committee,
   b. Community Action Group,
   c. Health and Safety Committee, and the
   d. Rag Committee.

19. The Council may create other President’s Committees for different purposes.

Colours Committee
20. The Colours Committee shall consider recommendations for the Colours and Awards of the Union, in accordance with Union policy.

21. It shall consist of:
   8. Sabbatical Officers,
   9. Presidents of the Faculty Unions,
   10. Chair of the Graduate Students’ Association, and the
   11. Chairs or Presidents of the Club and Society Committees.

22. It shall be chaired by the President, with a quorum of six members, and meet as required under Union policy.

Community Action Group
23. Community Action Group shall provide the opportunity for Full Members of the Union to carry out voluntary work in the local community.

24. It shall consist of:
   1. A Chair,
   2. A Treasurer,
   3. A Secretary,
   4. A Publicity Officer,
   5. A co-ordinator for each project approved by the committee,
   6. The Sabbatical Officers, and
   7. Such additional members as the committee may co-opt.

25. The officers of the committee (except the Chair) shall be elected at and by an Annual General Meeting of the committee, to be held after the election of the Chair. Vacancies may be filled at another meeting.

26. It shall be chaired by the Community Action Group Chair, and have a quorum of half the committee.

27. It shall meet at least once per term. An emergency meeting may be called by the Chair or five members.

28. The committee shall adopt or amend by a two-thirds majority standing orders, setting out the job descriptions of its officers. The committee may censure and dismiss its officers, excluding the Chair, under section 21 of Regulation 5 (Disciplinary Procedure).

Health and Safety Committee
29. The Health and Safety Committee shall consider and monitor Health and Safety issues in the Union and shall advise on the adequacy and suitability of current Health and Safety policies and practices.
30. It shall consist of:
34. The Sabbatical Officers,
35. A representative appointed by each Faculty Union,
36. A representative appointed by each Club and Society Committee.
31. The Union General Manager, any staff member appointed as Departmental Safety Officer and other posts determined by the President, particularly including those responsible for commercial services, shall be permanent observers.
32. It shall be chaired by the Deputy President (Clubs and Societies) and shall have a quorum of six voting members.
33. It shall meet at least once per term. An emergency meeting may be called by a Sabbatical Officer, or three members or permanent observers.

Rag Committee
34. The Rag Committee shall co-ordinate and promote charity events within the College and raise money for charity.
35. Charities shall be chosen for allocation of monies to be raised at a meeting in the Summer Term, after the new committee has been elected and upon the recommendation of the incoming committee.
36. It shall consist of:
14. A Chair,
15. A Treasurer,
16. A Secretary,
17. The Sabbatical Officers, and
18. Such additional members as the committee may co-opt.
37. Only members of the committee who are not co-opted may vote to add or remove co-opted members.
38. The officers of the committee (except the Chair) shall be elected at and by an Annual General Meeting of the committee, to be held after the election of the Chair. Vacancies may be filled at another meeting.
39. It shall be chaired by the Rag Chair, and have a quorum of half the committee.
40. It shall meet at least once per month during term-time. An emergency meeting may be called by the Chair or five members.
41. The committee shall adopt or amend by a two-thirds majority standing orders setting out the job descriptions of its officers and a code of conduct for members. The committee may censure and dismiss its officers, excluding the Chair.

D. The Graduate Students Association

General
42. The Graduate Students’ Association (“GSA”) shall co-ordinate and oversee all welfare and academic affairs issues relating to students registered on postgraduate courses, act as an advocate on their behalf throughout Imperial College Union and shall provide for the co-ordination of student activities targeted towards graduate students.
43. There shall be the following officers of the GSA who shall be elected by cross-campus secret ballot:
xxxx. Chair
xxix. Treasurer,
xxx. Secretary, and
xxxi. Activities Co-ordinator

Standing Orders
44. The GSA shall have standing orders which shall detail the following:
1. The aims and objects of the Association;
2. The officers of the Association and their job descriptions;
3. The composition of the Association and its sub-committees;
4. Procedure for ordinary and emergency meetings;
5. Procedure for the election, mandating, censure and dismissal of its officers, and
6. Any other matters within the competence of the Association.
45. Its standing orders shall be approved by the Executive Committee. A decision to approve or reject a standing order amendment may be overturned by the Council.

46. The Graduate Students’ Association Chair shall make preliminary interpretations of their constitution, which shall be reported to the Faculty Union Executive Committee. Appeals against preliminary interpretations can first be made to the President and ultimately to the Union Court whose decision is final.
PAPER M

PROPOSED REVISIONS TO THE FINANCIAL ORDINANCE

A Paper from the Clerk to the Council

INTRODUCTION

1. When the College obtained its independence and became a University in its own right on 8 July 2007, a new governance structure for the College was implemented. This structure, which was approved by the Council in March 2007, was predicated on the following hierarchy of governing documents:
   a. The Charter (granted by Her Majesty the Queen).
   b. The Statutes (as approved by the Privy Council).
   c. Ordinances (approved by the College Council).
   d. Regulations (responsibility for the approval of which can be delegated by the Council to other bodies).
   e. Academic Regulations (approved by the Senate).
   f. Policies, procedures and codes of practice (approved by the Council or the Management Board or other bodies as appropriate).

2. Although the Council approved a large number of new Ordinances at the same meeting (most of which were either derived from the previous Statutes or were replacing the College’s old Regulations), no attempt at that time was made to revise or update the College’s Financial Regulations.

3. The College’s Finance Regulations have now been comprehensively reviewed to ensure that they are consistent with this revised governance structure. The existing Finance Regulations do not satisfactorily deal with the existence of the College Fund Board, the Student’s Union and the College’s subsidiary companies nor the introduction of the new Finance Ordnance, and have generally become out of date.

4. Changes are proposed to ensure the College’s Financial Ordinance and Regulations are appropriate for the College’s requirements going forward and to provide a clear control mechanism that is sufficient to allow the Council to discharge its obligations whilst also allowing sufficient flexibility for practical application.

STATUTORY OBLIGATIONS OF THE COUNCIL

5. Under clause 5(e) of the Statutes, the Council exercises all the powers of the University including the specific functions:

   "(e) …….to be responsible for the efficient management and good conduct of all aspects of the affairs of the University (including its finances and property);"
(f) to make, amend or revoke such Ordinances, Regulations and decisions as are necessary to fulfil the responsibilities under the preceding sub-paragraph;"

PROPOSED STRUCTURE

6. The key change to the proposed structure for the financial governance mechanism is that the control mechanism should be split into two sections:

   a. The Financial Ordinance, which will be approved by the Council and which will be sufficient to discharge the Council’s specific obligations.

   b. Subordinate Financial Regulations, which will be produced by the Director of Finance and approved by the Management Board. These will be reviewed on an annual basis. Further details are set out below and a diagram showing the proposed structure is attached at Annex A.

7. Financial Ordinance C1

   a. This overarching financial ordinance will include all of the key requirements for successful financial management. It is intended that this will apply to all parts of the University Group; that is the College, the College Fund Board, the Students’ Union, and most of the College’s subsidiary companies.(1)

   b. It includes a mixture of:

      (1) Key issues, such as the process for delegation of authority, Audit procedures, conflict of interest/fraudulent irregularities and the giving of guarantees and indemnities, which are considered vital for good financial management and which are therefore set (and can only be approved by) Council; and

      (2) Delegation of responsibility to the Director of Finance to ensure the appropriate regulations are in place to control other activities such as banking and treasury management, expenditure controls, the purchase of goods and services.

8. Finance Regulations. These are detailed provisions which set out the regulations as determined by the Director of Finance in accordance with his obligations under Ordinance C1. The Finance Regulations have been drafted to apply solely to the academic College. However, the Financial Ordinance includes an obligation on the College Fund, the Students’ Union and the subsidiary companies to draw up their own equivalent finance regulations. In the absence of any such equivalent approved finance regulations, the College’s main Finance Regulations shall apply.

9. The benefit of this approach is an improved flexibility and appropriateness, although the Council will need to be aware that, under this revised structure, it is delegating responsibility for dealing with some of the less important financial procedures.

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1. The position of Imperial Innovations is different to that of the other subsidiary companies because it is a publicly listed company and because the shareholders agreement provides that the relationship between the College and Innovations should have an ‘arms-length’ relationship. Consequently, not all sections of the Ordinance will apply to publicly listed subsidiaries such as Innovations. However, those sections which do, or do not, apply are clearly set out in the Ordinance.
INTERNAL AND EXTERNAL AUDIT RESPONSIBILITIES

10. During the preparation of these proposed amendments to the Financial Ordinance, a question arose about the respective roles of internal and external audit, and in particular, the extent to which internal audit could provide an independent assessment of the College's internal control systems and how the Audit Committee could assure itself that this was the case. As a result of this discussion, it was confirmed that internal auditors are required to comply with a number of regulatory standards and principles relating to independence, including (in the case of the College’s Internal Auditors, Deloittes) relevant Ethical Standards issued by the Auditing Practice Board. The need to ensure the independence of both the external and internal auditors and their compliance with relevant standards has been reflected in the Ordinance.

11. In order to ensure that these standards for independence were being met, it was also agreed that Deloittes would in future prepare a paper for the Audit Committee, setting out the arrangements they have put in place, within the firm and in the way they structure and deliver their service to the College, to ensure their independence (both corporately and of the individuals who work on the assignment) in accordance with relevant standards. To provide the necessary assurance to the Audit Committee, the external auditors, PriceWaterhouseCoopers would then undertake a review comparing Deloitte’s and the College’s independence arrangements with normal practice in the public and private sector. The resultant report to the Audit Committee would highlight the areas reviewed, links to relevant professional guidance and standards and any findings by exception.

DECISIONS

12. The Council is now invited to consider, and if it sees fit approve the proposed amendments to Ordinance C1, Financial Matters as set out in Annex B.

R.F.E.

Annexes:


B: Proposed amendments to Ordinance C1, Financial Matters.
PROPOSED FINANCIAL GOVERNANCE STRUCTURE

COLLEGE CHARTER AND STATUTES
(Approved by Privy Council)

COLLEGE ORDINANCES
(Approved by Council)
Ordinance C1
Financial Matters

COLLEGE FINANCIAL REGULATIONS
(Approved by the Management Board)

SUBSIDIARY COMPANY FINANCE REGULATIONS
(Approved by the Rector and Director of Finance)

STUDENTS UNION FINANCE REGULATIONS
(Approved by the Rector and Director of Finance)

COLLEGE FUND FINANCE REGULATIONS
(Approved by the College Fund Board)

Annex A
INTRODUCTION

1. This Ordinance is made by the Council of the University pursuant to Statutes 3(5)(e) and 3(5)(f) and in accordance with its statutory responsibilities for the proper control of the financial business of the University. The Ordinance applies to the conduct of all financial business of the University Group (as defined in paragraph 7b), including the Imperial College Fund, the Imperial College Union and all Subsidiary Companies, except that certain paragraphs, clearly indicated within the text below, do not apply to Imperial Innovations. It applies irrespective of the source of funding.

2. The Ordinance sets out key responsibilities for financial matters within the University Group. Anyone who deals with financial matters must observe it.

3. Breach of this Ordinance may result in disciplinary action being taken against the person concerned under the terms of their employment contract with the University or a Subsidiary Company or, in the case of students, under the College Disciplinary Procedure.

4. It is the duty of the Director of Finance and the College Secretary to ensure that this Ordinance is reviewed periodically and modified where necessary to reflect organisational or other changes within the University.

5. The Management Board, acting on the advice of the Director of Finance, is empowered by this Ordinance to devise Financial Regulations to ensure the efficient management and good conduct of the all the College’s finances. The College Fund Board is required to devise and approve detailed financial regulations for the College Fund. The President of the Imperial College Union and the Directors of each Subsidiary Company are required to devise detailed financial regulations suited to the needs of their parts of the University Group, such regulations to be approved by the Rector with the advice of the Director of Finance. In the event of conflict between this Ordinance and any such subordinate regulations this Ordinance shall prevail.

DEFINITIONS AND ABBREVIATIONS

6. Unless defined otherwise in the following paragraphs, words which have been defined in the College’s Charter, Statutes or Ordinances shall (unless the context requires otherwise), bear the same meaning in this Ordinance. Rules of Interpretation applying to the Charter, Statutes or Ordinances (and in particular those contained in Ordinance A1), shall apply. The words and phrases “other”, “including” and “in particular” shall not limit the generality of any preceding words, or be construed as being limited to the same class as the preceding words where a wider construction is possible.

7. The following terms and abbreviations shall, save where the context requires otherwise, have the meanings indicated below wherever they occur in this Ordinance:
a. “the University” means the Imperial College of Science, Technology and Medicine, including its constituent faculties, divisions, departments, institutes, centres and other organisational units, including the Imperial College Union and the Imperial College Fund;

b. “the University Group” means the University and all its Subsidiary Companies.

c. “the College” means the Imperial College of Science, Technology and Medicine, including its constituent faculties, divisions, departments, institutes, centres and other organisational units but excluding the Imperial College Union and the Imperial College Fund.

d. “the College Fund” has the meaning ascribed by paragraph 12 hereof, and “the College Fund Board” has the meaning ascribed by Ordinance F1;

e. “the Council” means the supreme governing body of the University, established by the Royal Charter, with powers and functions set out in Statute 3(5);

f. “Department” shall encompass faculties, divisions, departments, institutes, centres, operating units providing support and any other subordinate organisational units within the College, by whatever name they are known;

g. “Director of Finance” refers to the College’s Director of Finance (as opposed to any Departmental officers with a similar designation, or any such officer of a Subsidiary Company or of the Imperial College Union). Functions required to be performed by the Director of Finance may, in his absence, be fulfilled by the Chief Operating Officer, the College Secretary or such other College Officer as the Rector may from time to time determine;

h. “College Officer” has the meaning ascribed by Ordinance D3;

i. “Head of Department” means any person who is so designated by the Rector;

j. “Budget Holder” has the meaning ascribed by paragraph 25 of this Ordinance;

k. “HEFCE” means the Higher Education Funding Council for England;

l. “VAT” means Value Added Tax;

m. “Subsidiary Company” has the meaning ascribed by section 1159 of the Companies Act 2006, as amended, updated or replaced

h. “Imperial Innovations” means Imperial Innovations Group plc (Company Registration No. 05796766) and all its Subsidiary Companies

FINANCIAL RESPONSIBILITY WITHIN THE UNIVERSITY

8. The Council. The Council is 'the governing and executive body of the College', and is responsible for the finance, property, investments and general business of the College, and for setting its general strategic direction. The constitution, powers and functions of the Council are set out in Statute 3. To perform these responsibilities effectively, it delegates detailed management to officers and committees, retaining ultimate responsibility subject to the statutes.

9. The Court. The constitution, powers and functions of the Court are set out in Ordinance A7. It meets at least once a year, inter alia to receive the College's Annual Report and audited Financial Statements.
10. **The Audit Committee.** The Audit Committee’s Terms of Reference are set out in Ordinance A9. The members of the Audit Committee are appointed by the Council from amongst its external members. It keeps under review the effectiveness of internal control systems, and in particular it reviews the external auditors’ management letter, the internal auditors' annual report, and the management responses; and considers 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.

11. **The Remuneration and Nominations Committee.** The terms of references of The Remuneration and Nominations Committee are set out in Ordinance A9. It agrees the salaries of the Rector and senior College staff; reviews the College’s overall remuneration and reward strategy; and makes nominations for appointment to the Council and the Court and to other bodies for which the Council is the appointing authority. Its membership comprises the Chairman and three external governors. The Clerk to the Council is the Secretary for Nominations business and the Director of HR is the Secretary for Remuneration business. The Rector is in attendance, except when his own remuneration is being considered.

12. **The College Fund.** The College Fund is an operational entity, legally an integral part of the University, whose defined purpose is to undertake the stewardship of College’s investment assets and to deliver a regular flow of unfettered funds back to the University. The Council has delegated authority for the stewardship of assets held within the College Fund (subject always to this Ordinance and Ordinance F1) to a separately constituted College Fund Board.

13. **The Rector.** The Rector is the academic and administrative head of the College, appointed by Council under University Statute 8(1)(a), whose duties are set out in Ordinance D2. He is the Principal Accounting Officer for the purposes of the Memorandum of Understanding with the HEFCE.

14. **The Chief Operating Officer.** The Chief Operating Officer is the head of support services of the University and is responsible to the Rector. Functions required under this Ordinance to be performed by the Chief Operating Officer may, in his absence, be fulfilled by the Director of Finance, the College Secretary or such other College Officer as the Rector may from time to time determine.

15. **The Director of Finance.** The Director of Finance is responsible to the Chief Operating Officer. The Director of Finance is responsible for:

   a. Ensuring that adequate controls and procedures are in place to record all transactions of the University in an accurate and timely manner;

   b. The provision of financial information and advice to all Budget Holders; and

   c. Advising the relevant university bodies and officers on financial policies and planning, and the financial implications of any proposals.

Functions required under this Ordinance to be performed by the Director of Finance may, in his absence, be fulfilled by the Chief Operating Officer, the College Secretary or such other College Officer as the Rector may from time to time determine.

16. **Financial Memorandum with HEFCE.** The Council is responsible for ensuring that the University complies with the Financial Memorandum with HEFCE and any related guidance issued by HEFCE under the Financial Memorandum. HEFCE must be satisfied that the Council has appropriate arrangements for financial management and accounting and that the uses to which HEFCE funds are put are consistent with the purposes for which they were given. The Council is also required to ensure that the University has a robust system of internal financial management and
control and that value for money is delivered from public funds. The Financial Memorandum sets out detailed guidelines covering a number of areas referred to in these regulations; in such cases this Ordinance has been framed to incorporate the requirements of the Financial Memorandum.

**RISK MANAGEMENT**

17. The University acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health. The University publishes detailed guidance on the management of risk, in a policy document with which all Members of the University are required to comply.

**DELEGATION OF POWERS AND RESPONSIBILITIES**

18. The following principles apply to all delegated authorities within the University:

 a. In specific instances, which are clearly indicated in this Ordinance, the person designated to fulfil a particular function is required to fulfil the responsibility personally. In such cases, further delegation is not permitted. Where he or she is unavailable, authority must pass up the line rather than down it.

 b. In all other cases, authority may be delegated downwards, but on the understanding that adequate controls are to be put in place by the delegator to ensure that the delegatee fully understands his obligations. The main elements of the matters delegated must be recorded in writing, for the avoidance of doubt between delegator and delegatee. Although the responsibility for carrying out certain duties may be delegated, together with the authority and resources to carry them out, the person making the delegation is not absolved by this from his overarching responsibility and the delegator continues to bear managerial responsibility.

 c. Where Members of the University delegate their powers to third parties, it is the duty of the delegator to ensure continuing compliance with this Ordinance.

**FINANCIAL PLANNING**

19. The Council is responsible for long and short-term planning and allocation of resources to all parts of the University Group, and for producing plans in accordance with HEFCE requirements.

20. The Rector is responsible for advising the Council on all aspects of the College’s Strategic Plan and its implications for the College’s financial well-being, as is the Chairman of the College Fund on behalf of the College Fund and the President of the Imperial College Union for the Students Union.

**FINANCIAL REPORTING, ACCOUNTING RECORDS AND INFORMATION**

21. The Director of Finance shall produce, within six months after the end of the University’s financial year, group accounts for that year, which shall be presented to the Council after review by the Audit Committee.

22. The Director of Finance shall also provide the Council with management accounts, trading accounts and such other information relating to the financial affairs of the University as it may from time to time require.
23. The Director of Finance shall establish and document accounting policies for the University Group to be agreed by the Audit Committee. All accounting systems and records within the University Group shall be maintained in accordance with the requirements of the Director of Finance. The Accounting Policies shall comply with, and will be amended as required in line with changes in, generally accepted accounting principles for the UK (“UK GAAP”) and the Statements of Recommended Practice (“SORP”).

**BUDGETS AND ALLOCATION OF RESOURCES**

24. The Council shall determine the Budget for the University once a year, before the commencement of the financial year. It is the duty of the Rector, the Chairman of the College Fund Board and the President of the Imperial College Union to report to the Council any material variations to the expected outcome which come to their notice during the course of the year, and if necessary seek sanction for any additional expenditure.

25. The Council delegates details of the budgetary allocations to the Rector, the Chairman of the College Fund Board and the President of the Imperial College Union, each for their respective areas of responsibility within the University, and who in turn delegate, within their agreed allocations, to Principals of Faculties, Heads of Department, Directors of Support Service units etc. Anyone to whom budgetary responsibility is delegated is known, for the purposes of this Ordinance, as a “Budget Holder”. In every case, the Budget Holder is answerable to his line manager for financial control of his budget, in accordance with directions given from time to time.

**EXPENDITURE CONTROL**

26. The Director of Finance is required to ensure that proper procedures exist for the control of expenditure against approved budgets throughout the University Group.

27. Budget Holders must ensure that expenditure incurred within their budgets complies with these procedures. Budget Holders may, subject to the term of this Financial Ordinance and of any Financial Regulations or procedures issued by the Director of Finance, delegate authority to incur expenditure within their budgets, but they will at all times retain ultimate responsibility for the control of such expenditure.

28. Budget Holders are required to make themselves aware of, and abide by, any budgetary constraints imposed on particular accounts by the University, HEFCE, research sponsors or other agencies. The Director of Finance will from time to time issue directions concerning use and nature of the various types of account.

**INCOME CONTROL**

29. The Director of Finance is responsible for ensuring that appropriate procedures exist to enable the University Group to receive all income to which it is entitled, and for the prompt collection, security and banking of all funds received.

30. The Rector is responsible for ensuring that authorisation processes exist for all University Group income streams, except that this obligation will be fulfilled by the Chairman of the College Fund Board in respect of income of the College Fund, and by the President of the Imperial College Union in respect of Students Union income.
TAXATION

31. The Director of Finance is responsible for ensuring compliance with tax obligations, as required, throughout the University Group.

BANKING AND TREASURY MANAGEMENT

32. The banking and treasury management policy for the University Group (other than Imperial Innovations) shall be decided from time to time by the Council.

33. The Director of Finance shall be responsible for ensuring that proper procedures exist for the efficient management of cash resources belonging to the University Group, including the operation of bank accounts, investment of short-term deposits, signing of cheques and other financial instruments, electronic funds transfers, etc.

34. Banking arrangements for all of the University’s Subsidiary Companies and for the Imperial College Union shall be determined by their respective boards of directors/trustees, subject to approval by the Director of Finance.

35. No Member of the University is empowered to open or operate bank accounts or establish investment funds for sums belonging to the University and/or which bear the name of the University or any department, section or campus of the University, other than in accordance with the foregoing paragraphs.

BORROWING AND SECURITY FOR BORROWING

36. Subject to the restrictions which may be contained in any trust deed or other document, the University is empowered to raise money by borrowing or by selling, converting, calling in, mortgaging or otherwise charging all or any part of the property of the University.

37. Arrangement for exercising borrowing powers on behalf of the University shall be made only by the Director of Finance. Subsidiary Companies are not permitted to borrow (except through group treasury management arrangements), without the approval of the Director of Finance, unless there is a specific legal agreement in place with the College that allows otherwise.

38. Council’s approval must be obtained prior to establishing any new borrowing facility which exceeds the limit on delegation set out in Ordinance A4.

INDEMNITIES AND GUARANTEES

39. The power to give guarantees and indemnities in the University’s name shall be exercisable only by the Rector or the Chairman of the College Fund Board, or those to whom they have delegated responsibility in accordance with Paragraph 18 above.

40. Wherever commercially viable, the University’s exposure under each indemnity or guarantee shall be protected by insurance.

41. The prior approval of the Council must be obtained before any guarantee or indemnity is given which exceeds the limit for acquisition or disposal of assets which is set out in Ordinance A4, except that such approval shall not be required if external insurance has been effected to fully protect the University’s exposure; or the guarantee or indemnity is given by one part of the University Group
in favour of another, such that the overall exposure of the University is unaffected (e.g. parent company guarantees).

42. The Director of Finance is responsible for maintaining a central record of all guarantees and indemnities given by the University.

**PURCHASE OF GOODS AND SERVICES**

43. The Director of Finance shall be responsible for ensuring that proper procedures exist for University purchasing.

44. All employees involved in purchasing must ensure that value for money is obtained, which they may be called upon to demonstrate in particular contracts or transactions.

45. The University’s Policy on Gifts and Hospitality sets out the standards of behaviour the College expects from its employees, members of the Court and Council and members of College Advisory Boards when they are offered gifts and hospitality by external organisations or have personal, financial or other beneficial interests in any transaction between the College and a third party. Under this Policy, it is expressly prohibited for a member of staff to accept any gift or benefit from an organisation that is actively involved in a tender process at the University. This prohibition commences at the point that an invitation to tender is published and extends to a period 3 months after a contract has been awarded. Any offers of gifts or benefits during this period must be refused.

46. Private purchases through University channels shall not be permitted, except with the express written approval of the Director of Finance, or through a scheme that has been approved by the Director of Finance.

**TRAVEL AND SUBSISTENCE EXPENSES**

47. The Director of Finance shall be responsible for devising and publishing rules relating to expenses for University Group employees (other than employees of Imperial Innovations), students and visitors travelling on College business.

**CAPITAL EXPENDITURE**

48. The University’s capital investment plan is approved by the Council within the context of the Strategic Plan (see paragraphs 19 and 20 of this Ordinance). The Rector is responsible for presenting the capital investment plan to Council on an annual basis, and for providing interim updates whenever necessary.

49. The Director of Finance is responsible for ensuring that procedures are in place for the authorisation of all Capital Expenditure throughout the University Group, except that this provision shall not apply to Imperial Innovations, whose directors will make their own arrangements

**PROJECT APPROVALS**

**The College Fund’s Non-Core Assets**

50. Subject to Paragraph 52 below and to any conditions imposed by the Council in relation to the Strategic Assets as defined in Ordinance F2, final approval for those projects dealing exclusively with
Non-Core Assets held within the College Fund as defined in Ordinance F2 shall be delegated to the College Fund Board.

51. Where a project involves both Non-Core and other College assets, the project will be subject to the project approval requirements set out in Paragraphs 52 - 55 below in respect of other College assets.

All Other Project Approvals

52. Final approval for those projects with a total value of less than £5M shall be delegated to the Rector, as advised by the Management Board.

53. Final approval for those projects with a value exceeding £5m but less than £10M, which have been included in the University’s Capital Investment Plan and which have been approved in principle by the Council, shall be delegated to the Rector, as advised by the Management Board.

54. The Rector, as advised by the Management Board, shall have delegated authority to approve expenditure up to a maximum of £5M, where such expenditure is required for development work on a project to be carried out prior to its inclusion in the Capital Investment Plan.

55. For those projects with a total cost in excess of £10M which have been included in the Capital Investment Plan and which have been formally approved by the Council, the Rector, as advised by the Management Board, shall have delegated authority to approve subsequent variations to the total cost of the project, provided that the variation does not exceed 10% of the total project cost (regardless of whether this variation is the result of a single increase or of the aggregation of two or more smaller increases). This delegation of approval only applies to project changes and does not apply to variations between a project’s initial cost estimates and the receipt of firm tenders.

INVESTMENTS

56. Subject to any obligation to which the College is bound in respect of any monies held by it on trust, and any relevant law, monies in the hands of the University and available for investment may be invested by the University in any of the following modes or objects of investment:

a. By placing them on deposit with any bank or licensed deposit taker;

b. By investing them in such stocks, funds, shares, securities and other investments (including land of any tenure or any interest therein) of whatsoever nature and wheresoever and whether involving liability or not, as the Council shall, in its absolute discretion, think fit.

57. The Council shall have the power at any time and from time to time by writing to appoint (and in like manner to revoke or to vary the terms of any such appointment) any person or persons including a company or firm to act as investment advisers or investment managers and to permit any monies, investments or other property belonging to or in the hands of the University to be registered or held in the name or names of any nominee or nominees on behalf of the University without being liable for any loss occasioned thereby in each case subject to such conditions and upon such terms (including the payment of remuneration) as shall from time to time be agreed in writing between the Council and such person or persons as aforesaid.

58. The College Fund Board is responsible to the Council for the management of the College’s investment assets that have been formally transferred to it in accordance with Ordinance F2. In the case of any investment asset which is not vested in the College Fund Board the Rector is responsible to the Council for its management.
SUBSIDIARY COMPANIES

59. In accordance with its statutory powers, the University has the power to establish Subsidiary Companies as vehicles for carrying out commercial activities or for other purposes. Subsidiary Companies may be established, and the injection of investment or loan capital authorised by the Rector and Director of Finance. In addition, subject to the agreement of the Director of Finance, the College Fund Board shall have the authority to establish Subsidiary Companies in order to undertake commercial activities in relation to assets within the College Fund (the "Fund Subsidiaries").

60. This Ordinance shall apply to the financial affairs of the Subsidiary Companies, except in so far that their Memoranda and Articles of Association require otherwise, or where special arrangements have been agreed by the University’s Audit Committee. Any proposed amendments to the Memorandum or Articles of Association of any Subsidiary Company must be referred to the University’s Director of Finance for approval prior to adoption by the company in general meeting.

61. Each Subsidiary Company shall adopt its own internal Financial Regulations, approved by the Rector, with the advice of the Director of Finance, covering similar matters to those set out in the College’s Financial Regulations. All Subsidiary Company accounts are consolidated into the University’s published accounts and Subsidiary Companies are required to maintain their financial records in accordance with the University Group’s accounting policies.

62. Where the University has the power to appoint:
   a. directors to the board of a company; and/or
   b. representative(s) at shareholder meetings

such directors or shareholder representatives shall be appointed and removed by the Rector; except that the Chairman of the College Fund Board shall have the power to appoint and remove such persons in respect of Fund Subsidiaries.

63. The Auditors of Subsidiary Companies shall be nominated by the University’s Audit Committee.

64. The financial year-end of subsidiaries shall coincide with that of the University unless otherwise agreed by the University Audit Committee. The Director of Finance shall ensure compliance by Subsidiary Companies of their statutory filing obligations.

65. Subsidiary Companies must (save where precluded by external regulatory prohibition) provide the University’s Director of Finance with such budgetary and other financial information concerning the conduct of their business as he may from time to time require.

DONATIONS AND TRUST FUNDS

66. The Council is responsible for ensuring that all of the University’s trust funds are operated in accordance with any relevant law and the specific requirements for each Trust. This obligation is delegated to the Director of Finance in accordance with paragraph 18 hereof.

67. The Director of Finance is responsible for ensuring that appropriate procedures exist for the consideration and acceptance of donations.

INSURANCE
68. The Council shall be responsible for determining the University's overall strategy for insurance, risk management and risk transfer. Subject to this, the Director of Finance is responsible for insurance matters.

69. The Director of Finance must be informed at once if any new activity is commenced which materially affects the University’s overall exposure to an insurable risk, or if substantial additional property is acquired, requiring to be insured. The Director of Finance shall maintain a register of insurance policies.

SIGNING OF LEGAL DOCUMENTS

70. The Rector shall be responsible for ensuring that arrangements for authorising and signing legal documents in the University’s name are devised and published.

71. Documents that are required to be signed under the Common Seal of the University shall be authorised, signed and sealed in accordance with the terms of Ordinance A6.

ASSET REGISTERS

72. The Director of Finance is responsible for maintaining an inventory of all land and buildings owned or leased by the University Group.

73. The Director of Finance is responsible for devising and publishing policies and procedures for the maintenance of asset registers for University equipment and other capital items. These will include arrangements for the sale or disposal of obsolete or surplus University equipment.

INTELLECTUAL PROPERTY

74. The Council is responsible for determining policy concerning the ownership, protection and exploitation of patents, copyright and other forms of intellectual property arising anywhere within the University Group.

75. Intellectual property rights arising from work done by employees of the University in the course of their normal duties belongs to the University, rather than to the employee personally. The University has a policy for rewarding employees who produce commercially valuable intellectual property in the course of their work.

76. The College has entered into an agreement with Imperial Innovations whereby Imperial Innovations is granted a right of first refusal for exploitation of all intellectual property arising from work done by employees of the university in the course of their employment.

PRIVATE WORK

77. Rules governing private work undertaken by University employees in their own time are set out in their conditions of service. Private work must not impair the performance of employees’ University duties nor conflict with the interests of the University.

78. Registers of Interests shall be maintained, showing details of external consultancies, directorships and membership of external committees held by employees of the University, members of the Council and College Officers. Responsibility for maintaining such registers rests with:
a. The College Secretary in respect of members of Council and College Officers; and

b. The Director of Human Resources in respect of all other employees of the University.

79. Under no circumstances shall stationery (printed or otherwise) bearing the University’s name, letter heading, crest or logo be used in connection with private work.

80. Companies and other business entities are permitted to trade from University premises only if written authority has been given by the Rector, the Chairman of the College Fund Board or those to whom they have explicitly delegated this power.

CONFIDENTIALITY, SECURITY AND ACCESS TO FINANCIAL INFORMATION

81. Other than the University’s published Annual Report and Accounts, all financial information and records are confidential and must not be disclosed to third parties without the consent of the Director of Finance. Except as provided hereunder (see paragraph 90 on Audit), and by statutory enactment, access to the University’s financial records will be accorded only on a "need to know" basis to persons approved by or under the authority of the Director of Finance.

82. Heads of Department and Budget Holders must ensure that financial records are held securely and that access to such information via computer terminals is controlled in accordance with procedures issued by the Directors of Finance and ICT.

83. The Freedom of Information Act 2000 imposes a number of obligations on public authorities, which for these purposes only include the University. The College is committed to complying fully with the Freedom of Information Act. Information will only be withheld in accordance with the exemptions laid down in the Act.

AUDIT

84. The Council shall appoint, on the recommendation of the Audit Committee, the University External Auditor.

85. The University Group’s External Auditor audits the Financial Statements of the University Group in accordance with auditing standards, having regard to relevant auditing guidelines and auditing standards issued by the Auditing Standards Board. The External Auditor is responsible for providing the Audit Committee an opinion on whether the financial statements give a true and fair view of the state of the financial affairs of the University Group at the balance sheet date, and of their income and expenditure for the year then ended. (See also Paragraph 63 above concerning Subsidiary Companies.) The External Auditor’s Report should also provide an opinion on whether, in all material respects, recurrent and specific grants from HEFCE and other funding bodies and from restricted funds have been properly applied for the purposes provided.

86. The Internal Auditor is appointed by the Council on the advice of the Audit Committee. The prime responsibility of the Internal Auditor is to provide the Council and the Rector with an annual opinion on the adequacy and effectiveness of the University’s arrangements for risk management, control and governance and for economy, efficiency and effectiveness (value for money) and the extent to which the Council can rely on these. In order to do so, the Internal Auditor will carry out an independent and objective appraisal in accordance with relevant regulatory and ethical standards of all of the University’s internal control systems covering all of its activities, financial and otherwise. The Internal Auditor also provides a service to all levels of management by evaluating and reporting on the effectiveness of the University’s control systems.
The internal audit service has no executive role within the University. For day-to-day administrative purposes only, the Internal Auditor reports to the Clerk to the Court and Council. However, to ensure his or her independence from the University’s management structures, the Internal Auditor has at all times the right of direct access to the Rector, Chairman of the Audit Committee, and/or the Chairman of the Court and Council.

The University may be audited by the HEFCE Audit Service and may be visited by the National Audit Office.

The External and Internal Auditors, HEFCE and the National Audit Office all have unrestricted right of access to all premises, assets, minutes, books of account, vouchers, documents, computer data, and any other relevant information. They have the right to verify assets and to have direct access to any employee or person responsible for the administration or management of university funds with whom it is felt necessary to raise and discuss such matters.

The University’s audit arrangements are required to comply with the HEFCE Audit Code of Practice.

FINANCIAL ETHICS AND CONFLICT OF INTEREST

University employees and others with responsibility for the administration or management of university funds should never use their authority or office for personal gain and should always seek to uphold and enhance the standing of the University.

No one may authorise any payment or other form of benefit (goods or services) from University funds (including re-imbursement of out-of-pocket expenses) to himself or to a member of his family, or to any person with whom they have a similarly close personal relationship (a “Connected Person”) without prior written ratification by a higher authority.

Anyone having a personal interest in any transaction between the University or any Subsidiary Company and third parties (including partnerships and companies in which he or a Connected Person has a material stake) shall immediately disclose the nature and extent of their interest in writing to all University Group personnel involved in conducting the negotiation, and thereafter must not take any part in determining the price or conditions associated with it. This duty of disclosure applies equally to any renewal or extension of such contract.

No person employed by a third-party organisation may, when acting on the University’s behalf under power delegated in accordance with paragraph 18(c) hereof, participate in any contractual negotiations undertaken between the University and their main employer.

FRAUDULENT IRREGULARITIES AND WHISTLEBLOWING

Anyone who has reason to believe that a fraudulent or other irregularity with financial implications for any part of the University Group has or is about to take place (including those involving cash, stores, equipment, facilities, information, staff time, physical or intellectual property, non-disclosure of any personal, financial or beneficial interest as required under the University’s Registers of Interests policy, etc.) is required to inform his Head of Department immediately, who must in turn notify the College Secretary or Director of Finance (except in the case of Imperial Innovations, where such matters must be reported to the Company’s Director of Finance or Chairman). Matters concerning members of the Court or of the Council should in the first instance be referred to the College Secretary.
96. Ordinance C2 sets out the University’s Policy and Response Plan for the Treatment of Fraud, Corruption and Irregularities, and Ordinance D18 Investigation of Public Interest Disclosures (whistle-blowing).
STATUTORY AND CONTEXTUAL MATERIAL

1. This annex contains material derived from other sources which have a direct bearing on the Financial Ordinance C1. Its text will be amended without formality whenever any of the underlying material is revised.

INCORPORATION, LEGAL NAME AND ADDRESS, USE OF THE UNIVERSITY’S NAME, CREST, LOGO AND TRADE MARKS

2. The University is an independent corporation whose legal status derives from a Royal Charter, originally granted under Letters Patent in 1907. A Supplementary Charter was granted in 2007. The Imperial College Acts 1997 and 1999 also provide primary legislative material. The full text of the University’s Charter and Statutes may be viewed on the University web-site or obtained from the Clerk to the Council and Court.

3. The University’s legal name is "the Imperial College of Science, Technology and Medicine." The constituent colleges, faculties, academic departments, centres and units have no independent existence as legal entities, though it is acceptable to use their names on letter headings etc., providing that the University’s full legal name appears somewhere on any document which seeks to establish a contractual relationship with an outside party.

4. The words "Imperial College", “Imperial College of Science, Technology and Medicine” and “Imperial College London” are registered trade marks. The College’s preferred brand identity is “Imperial College London”.

5. The College crest is granted by the College of Heralds and is also a registered trade mark.

6. The trade marks may be used only with the College’s prior written consent. The name and logo may be used routinely and without formality in connection with the academic work of University Departments. Use of the crest is restricted to instances where a historical association is appropriate. Advice should be sought from the Director of Communications.

7. The College’s prior written consent to the use of the words must be obtained whenever it is proposed to use the words "Imperial College" (either alone or as part of a longer name), and/ or the crest and/ or the logo, for any commercial purpose where the income does not accrue to the College, or for any social purpose. Applications should be addressed to the College Secretary.

8. By virtue of Section 10 of the Imperial College Act 1997, and Section 10 of the Imperial College Act 1999, the following names may not be used without the College’s prior written consent:
   a. National Heart and Lung Institute.
   b. Charing Cross and Westminster Medical School.
   c. Royal Postgraduate Medical School.
   d. Wye College.
   e. The College of St. Gregory and St. Martin at Wye.
OFFICIAL ADDRESSES

9. The College has no registered office as such. The address for the delivery of legal documents is:

    The Faculty Building
    Imperial College London
    Exhibition Road
    South Kensington
    London SW7 2AZ

10. Such documents should be marked for the attention of the College Secretary or the Director of Finance.

11. All Subsidiary Companies shall have the Faculty Building as their registered office, except where otherwise agreed by the University Audit Committee.

12. Neither the College’s official address, nor that of any of its constituent faculties, divisions, departments, etc., may be used for the conduct of private business or as an office for social organisations, except with the College’s written consent. It must not be used as the Registered Office for limited companies, or as the registration address for VAT or income tax matters, without the written consent of the Director of Finance.

CHARITABLE STATUS

13. The University is an exempt charity (not a registered charity) by virtue of the Exempt Charities Order 1962, and the Second Schedule to the Charities Act 1993. This means that the University enjoys all the privileges of charitable status (including exemption from income and corporation tax on its activities to the extent that they are in support of its primary purposes) without the obligation to register with, or submit accounts and annual returns to, the Charity Commissioners. Although the University is an exempt charity it must still comply with the principles of charity law. Under the Charities Act 2006, the Higher Education Funding Council (HEFCE) is responsible for ensuring compliance.

14. As an Exempt Charity, the University has no charity registration number.

15. Under the Charities Act 2006, the Imperial College Union, as a students’ union with an income in excess of £10,000 per annum, is required to be separately registered with the Charity Commissioners as an unincorporated educational charity. Notwithstanding this separate registration, in accordance with the University’s Statutes, the Imperial College Union “shall for all purposes be treated solely as an integral part of the University”.

COMPANY REGISTRATION

16. As a Chartered Corporation, the University is not required to Register under the companies acts, or to file returns to Companies House. For information purposes only, however, it has been provided with the following reference number for company house searches, etc.: RC000231.

DELEGATION OF POWERS OF THE COUNCIL

17. Statute 3(6) provides that:
The Council may delegate any of its functions, powers and duties (other than its power to make Ordinances) to committees appointed by it, its officers, other entities (comprising its own officers or members or otherwise) or individuals, and such committees, individuals or entities may further delegate unless the Council has provided to the contrary.

18. The Council has determined that the following financial matters may not be delegated to committees or officers:

   a. Final approval of the University’s Strategic Plan.
   b. Final approval of the University’s Annual Budget.
   c. Final approval of the University’s audited Annual Financial Statements.
   d. Final approval of purchases or disposals of assets, land or buildings exceeding £5M in value other than Non-Core Assets held within the College Fund.
   e. Final approval of any borrowing facility exceeding £5M.

[Ordinance A4]

COMMITTEES OF THE COUNCIL

Audit Committee

19. The Audit Committee is appointed by the Council from amongst its non-executive members with the following terms of reference:

   a. 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.
   b. 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.
   c. To monitor the implementation of agreed recommendations arising from internal and external audit reports.
   d. 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.
   e. 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 co-ordination 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.
   f. To satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.
g. 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.

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

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

j. 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.

20. The Committee has authority to call for any information from College officers, external and internal auditors and others which it considers necessary to discharge its responsibilities effectively.

[Ordinance A9]

Remuneration And Nominations Committee

21. The Remuneration and Nominations Committee reviews and approves annually the salaries and emoluments of the Rector and of such senior staff as report directly to the Rector; reviews the College’s overall remuneration and reward strategy; keeps the membership of the Court and Council and Council committees under review and makes recommendations for appointment to the Council. Its membership comprises the Chairman and three lay governors appointed by the Council. The Rector attends its meetings except when his own remuneration is being considered. The Director of HR is the Secretary for remuneration business and the Clerk to the Council is the Secretary for nominations business. Its full terms of reference are set out in Ordinance A9.

THE STUDENTS’ UNION

22. The Imperial College Union is created pursuant to Paragraph 17 of the Charter, which states that “in so far as it shall further the educational purposes of the University, there shall be a Students’ Union of the University (hereinafter referred to as "the Imperial College Union") for the benefit of the students of the University and in their interests as students”. In accordance with Statute 10, the Imperial College Union “shall for all purposes be treated solely as an integral part of the University”.

23. Section 22 of the Education Act 1994 requires the governing body of every university to take such steps as are reasonably practicable to ensure that its students' union operates in a fair and democratic manner and is accountable for its finances and to ensure that the other requirements of the Act are observed by its students’ union.

24. In accordance with these requirements, the Imperial College Union conducts its financial activities in accordance with Regulations and Procedures, which are designed to ensure the proper conduct of the Union’s financial affairs and which have been approved by the Council. Amendments to the Union’s Financial Regulations are subject to the approval of the Council, as advised by the Audit Committee.

25. Ordinance C1 shall apply to the financial affairs of the Imperial College Union. In addition, the Imperial College Union shall adopt its own internal Financial Regulations, approved in accordance with its Constitution.
26. The Union’s proposed annual budget is scrutinised by the University through the annual Planning Round. The Union’s Trustee Board is responsible for monitoring the Union’s expenditure against its annual budget and for reporting any fraudulent or irregular procedures in the management of public funds and those resulting from the Union’s trading activities to the University’s Internal Auditors.

27. The Union’s annual accounts and a report on its handling of public and other funds are presented annually to its Trustee Board, to the Audit Committee and to the Council. The Union’s annual accounts are consolidated into the University’s annual Financial Statements.

28. The University’s Internal Audit Service shall have the same rights of access to the Union as it has to other parts of the College for the purposes of fulfilling its remit.

**UNIVERSITY ACTING AS AN AGENT**

29. Any work undertaken by the University acting as agent on behalf of others is also subject to Ordinance C1. Where an outside body wishes to impose requirements which would lead to a contravention of this Ordinance the approval of the Director of Finance must be obtained before any contract is signed or undertaking given. The Director of Finance may, if he judges it necessary, require the proposal to be reported to the Audit Committee or to the Council before it is put into effect.