MINUTES OF THE PROCEEDINGS

at the

Twenty-first Meeting of the

COUNCIL

of the

IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Twenty-first Meeting of the Council was held in the Council Room, 170 Queen's Gate, South Kensington Campus, Imperial College London, at 10:30 a.m. on Friday, 13th May 2011, when there were present:

The Lord Kerr of Kinlochard (Chairman), Professor D.K.H. Begg, Mr. I. Conn, Mrs. P. Couttie, Professor M.J. Dallman, Professor Dame Julia Higgins, Mr. A. Kendall (from Minute 4 onwards), Professor J. Kramer, Ms. J.R. Lomax, Professor J. Magee, the Baroness Manningham-Buller (except for Minutes 4 – 5), Professor Sir Anthony Newman Taylor, Mr. J. Newsum, Mr. S. Newton, Ms. K. Owen, Professor S.M. Richardson, the Lord Tugendhat and the Rector and the Clerk to the Court and Council.

In attendance:

The Director of Finance and Acting Chief Finance Officer, the Chief Executive Officer of the College Fund (for Minutes 37 - 53 only), the Director of Communications and Development (for Minutes 54 - 58 only) and the Assistant Clerk to the Court and Council.

WELCOME

On behalf of the Council, the Chairman welcomed Mr. Iain Conn to his first Meeting as a member of the Council.

CONSORT DECOMMISSIONING

1. The Council received a report from the Rector on recent discussions with the Government and with the NDA on the support that might be available from the Government to assist in the decommissioning of the Consort Reactor Centre. As elements of the Rector's Report constituted Reserved Business, the President of the Imperial College Union, Mr. Kendall, did not join the Meeting until after this item had been discussed.

2. Although detailed agreements had yet to be completed, the key project risks had now been satisfactorily addressed. The Rector confirmed that the College would be responsible for the costs of the decommissioning project, estimated at c. £29M. However, the College now had assurance that, once the project was complete, there would be no ongoing liabilities for the College with respect to the Consort Centre. The Council recognised that the current position represented a reasonable way forward and that the Government was unlikely to improve on its current offer. The Council therefore agreed that the College should proceed with the expeditious decommissioning of the Consort Centre.

3. Mr. Newton noted that the College accounts currently included provisions for the Centre’s decommissioning. Now that agreement on the way forward had been reached, he
suggested that these provisions would have to be revisited. The Acting Chief Finance Officer, Mr. Murphy, agreed that the accounting position would now have to be reviewed with the external auditors.

CHAIRMAN'S BUSINESS

Report from the Search Committee on the appointment of the Chairman (Paper A)

4. During the consideration of this item, Baroness Manningham-Buller left the Meeting.

5. The Chairman of the Search Committee, Lord Tugendhat, presented Paper A. The search for the next Chairman had, he said, been conducted so as to ensure transparency and to provide the Council with the best possible candidate. He reminded members that he had written to all members of the Court and Council and more widely to invite nominations and an advertisement had been placed in the Economist. Although the Search Committee had been aware that there was a strong internal candidate, it had approached the selection process as openly and transparently as possible. In the event, six formal applications had been received, two of which were considered by the Committee to be appointable. Both candidates had been subject to rigorous interview by the Search Committee. At the end of this process, the members of the Search Committee had agreed unanimously that Baroness Manningham-Buller was the best candidate and that she should be recommended to the Council for appointment.

Resolved:

That Baroness Eliza Manningham-Buller be appointed as the Chair of Council from 16 July 2011 to 30 September 2015 in the first instance, with the possibility of re-appointment thereafter by mutual agreement to a second and final term to no later than 30 September 2019.

6. Baroness Manningham-Buller was then invited to rejoin the Meeting and was congratulated on her appointment.

Report on the Membership of the Council (Paper B)

7. Before presenting Paper B, the Chairman noted the untimely and sudden death of Sir Simon Milton on 11 April 2011. Sir Simon had been interviewed by the Nominations Committee as a potential candidate for membership of the Council and, but for his death, would have been recommended for appointment at this meeting. Sir Simon had been keen to join the Council and the Chairman was sure that he would have made a major contribution to the work of the Council.

8. The Chairman then presented Paper B and noted that the proposed appointment of Mr. Philip Dilley would fill the remaining vacancy for a statutory external member and would bring the external members of the Council back up to full strength. There were still four optional vacancies for external members, but, the Chairman suggested that, as he would be retiring in July, the Council wait until Baroness Manningham-Buller had taken up appointment as Chairman before filling these additional vacancies. Turning to Mr. Dilley’s candidacy, the Chairman said that he had been interviewed by the Rector and Baroness Manningham-Buller on behalf of the Nominations Committee. They had confirmed that he was a well-qualified and thoughtful candidate who would bring an interesting perspective to the Council. They had had no hesitation in recommending his appointment.

Resolved:

That the appointment of Mr Philip Dilley as an external member of the Council with
immediate effect for a term ending on 20 September 2015 be approved.

MINUTES

Council – 11th February 2011

9. The Minutes of the twentieth Meeting of the Council, held on Friday, 11th February 2011 were taken as read, confirmed and signed.

MATTERS ARISING

Opportunities for Strategic Thought (Minute 5 refers).

10. The Chairman noted that Mr. Newton had raised the issue of the limited opportunities for strategic thinking at the last Meeting. He asked if Mr. Newton had had any further thoughts. Mr. Newton said he remained concerned that the time available for long-range strategic thinking was limited. This was a common concern for most organisations. It was clear that the College’s senior management was very good at reacting tactically to immediate and medium term opportunities, but this might sometimes be to the detriment of longer term strategy. The Council should ensure that both it and the Management Board had time to think about longer term strategic issues.

11. Baroness Manningham-Buller reminded members that the Council would be having an Away Day on 23rd September. She suggested that this could be used for a more strategic discussion than was normally possible at Council Meetings. She then said that it was her intention to contact all the members of the Council individually to discuss any issues and concerns they might have and, in advance of these individual discussions, she asked members to think about how the Away Day might be structured and also to identify any issues or concerns that could be discussed at the Day.

12. The Chairman agreed that the College was good at reacting quickly to situations as they arose and taking advantage of opportunities. He also agreed with Mr. Newton that this could sometimes get in the way of strategy. He suggested that the College might benefit from an informal ‘think tank’ involving a cross-section of staff (and possibly some Council) members; which might provide a forum for generating longer-range innovative thinking.

College Charter and Statutes (Minute 37 refers).

13. The Chairman reminded members that at the last Meeting the Council had been asked to agree that the changes to the College’s Royal Charter and Statutes required by the Privy Council were acceptable. The Council had agreed these changes and the Chairman was pleased to confirm that that the proposed amendments to the College’s Statutes had been formally approved by the Privy Council on 16 March 2011.

RECTOR’S BUSINESS

Staff Matters (Paper C)

14. Paper C was received for information.
15. Opening his report, the Rector said that the College had recently completed the recruitment exercises for the Imperial College Lectureships and Junior Research Fellowships. He reminded members that the aim of the Lectureship appointments was to extend and consolidate the College's existing research interests, and to embark upon new areas consistent with its academic strategy. Successful applicants would be expected to develop innovative research ideas within their field and have a commitment to providing high quality teaching to Imperial students. He was pleased to say that these lectureships had attracted over 750 applications with over 100 being interviewed. 14 offers had been made: 1 in the Imperial College Business School; 4 in each of the faculties; and one joint Natural Sciences/Engineering lectureship. Each lectureship would receive £60K of funding per annum from the College for 3 years. The Junior Research Fellows (JRFs) were intended to help excellent young researchers make the leap from post-doctoral researcher to lecturer. 20 were appointed each year with each JRF receiving a three-year fellowship including a competitive salary, research expenses and mentoring support from a senior Imperial academic. This was the third round of JRF appointments since the scheme had been established in 2009. This year 193 applications had been received with 54 of these being interviewed. The scheme, which had been proposed by Professor Dallman, had proved to be a great success and was attracting very high quality applications from across the World. Recognising its success, the Management Board had recently agreed to continue the scheme for a further three years.

16. The Rector then reminded the Council that when the College Fund had been established, various non-core properties had been transferred to the Fund, including some at South Kensington. However, because of their proximity to the South Kensington Campus, the Council had decided to designate these properties as 'strategic assets'. This meant that, although they were managed by the College Fund with the intention of providing a commercial return, the Fund was not free to dispose of these properties without first obtaining specific approval from the Council. The strategic assets at South Kensington were the Secret Garden and Secret Garden Cottage, the Ethos flats above the Sports Centre, 52 Prince's Gate and the Cornerstone Building (46–47 Prince's Gate). The Management Board had recently reviewed these properties to determine which, if any, were still thought to be strategically important to the College and which should not therefore be disposed of. The Board had been prompted to do so by the opportunities presented by the Imperial West development. It was clear that this was a major opportunity for the College and for the College Fund. One way in which this might be funded was through the disposal of some other non-core properties by the Fund. If proposals were to come to the Council in future, it would be important for the Council to know the Management Board's view on each of these properties. Taking them in turn, the Rector said that the Board believed that because of its location opposite the College's main entrance, 52 Prince's Gate should continue to be considered a strategic asset. Consequently, it would not be appropriate for it to be disposed of, either by way of an outright sale or a long-term lease agreement. However, the Board did not feel the same way about the other properties at South Kensington and had agreed that the College Fund Board should not be similarly restricted in its use of these properties and that they could therefore be disposed of if the College Fund Board brought such a proposal forward to the Council.

17. Bringing his report to a close, the Rector said that he had just returned from a trip to China and Taiwan. In Taiwan an agreement on the formation of a new academic partnership with the National Yang-Ming University, Taipei had been cemented. The agreement, only the third signed by the Top University Strategic Alliance in Taiwan with an overseas partner, would provide opportunities for Taiwanese postgraduates and academic staff to undertake research at Imperial, and in particular in the Business School and the Centre for Bio-Inspired Technology. The collaboration, which was fully funded by Taiwan's Ministry of Education, would also support joint research projects and research visits to Taiwan by Imperial academics. In China, he had attended several events for Imperial alumni and had met with Professor Tieniu Tan, Deputy Secretary-General of the Chinese Academy of Sciences (an Imperial alumnus himself) who had proposed a scholarship scheme for
Report by the Principal of the Faculty of Natural Sciences

18. The Chairman reminded members that it had been agreed at the last Meeting that, rather than receiving reports at every meeting from each of the Faculty Principals, the Council would instead receive a more in-depth report from a single Principal. This was the first such report and he invited the Principal of the Faculty of Natural Sciences, Professor Dallman to present her report to the Council.

19. Professor Dallman highlighted two areas in particular in her report: the UK Centre for Medical Research and Innovation (UKCMRI) and new proposals to develop Chemistry in the Clinic. She reminded members that UKCMRI was an interdisciplinary medical research institute which would bring together scientists from all disciplines to carry out innovative biomedical research. Not only was it intended to help to improve people’s lives but it would also keep the UK at the forefront of innovation in medical research, attract high-value investment, and strengthen the economy. Its founding institutions were the Medical Research Council, Cancer Research UK (CRUK), the Wellcome Trust and UCL. Professor Dallman had recognised that this was an exciting and unprecedented opportunity and, with the Council’s support, she had entered into discussions with UKCMRI for Imperial College to join on the same terms as UCL. King’s College London had also joined the discussions and also intended to join UKCMRI on the same terms.

20. The draft Memorandum of Understanding between the College and UKCMRI had been considered by the Management Board in March and circulated to all Council members at the same time. The MoU was consistent with the principles previously established and agreed by the Council and had been signed by UKCMRI, Imperial College and King’s College on 13 April 2011. Imperial and King’s would now join UKCMRI by way of an accession agreement, the draft terms of which had recently been provided to the College. The accession agreement included the financial model for UKCMRI was well as a draft agreement on how IP generated at UKCMRI would be dealt with. Although all original IP generated at UKCMRI would remain the property of UKCMRI, the potential exploitation of this original IP was still under discussion. The original Joint Venture Agreement gave exclusive rights to CRUK for the exploitation of all cancer-related IP, but there was as yet no agreement on other IP. Although there was a desire in UKCMRI for all IP to remain open-access, it was clear that if any IP was to be exploited to provide a commercial return to the Institute, it would have to be protected. This presented an opportunity for Innovations, which was one of the few organisations with both the expertise and the capital to exploit any IP generated at UKCMRI. However, there was much still to be discussed and clarified before any agreement could be reached.

21. Mr. Conn said that he and the Rector had both been involved in the establishment of the Energy Technologies Institute (ETI), which was a partnership between international industrial companies with a strong focus on energy, and the UK government which was intended to speed up the development and demonstration of energy technologies and shorten the lead times to market through the sharing of expertise and resources. There had been similar concerns about how to make the best use of IP there and this had eventually been resolved by the adoption of a three-tier system for IP exploitation. Experience with the ETI showed that it was important to resolve these issues towards the beginning of the project and crucially, before IP was starting to be generated. He suggested that some of the lessons from the ETI and the eventual structures it had adopted might provide useful exemplars for the discussions with UKCMRI over the same issues.

22. Turning to Chemistry in the Clinic, Professor Dallman said it was intended to embed 80 – 100 chemists on the Hammersmith Hospital Campus to apply chemistry to various areas of
medical research include prototype drug discovery and design, pre-clinical development and early clinical trials. This would draw on existing strengths in Imperial and would provide a unique collaborative facility in the UK. It also underlined the importance of the AHSC to the whole College and not just to the Faculty of Medicine. The Principal of the Faculty of Medicine, Professor Sir Anthony Newman Taylor, said he strongly supported this initiative and he noted that many Pharma companies were moving away from basic drug discovery work and were increasingly looking to universities to develop compounds and molecules for future research and development. This proposal was therefore very well placed to take advantage of these wider shifts.

ACCESS AGREEMENT (PAPER D)

23. Presenting Paper D the Clerk, Dr. Eastwood, summarised the main points he had made in his presentation to Council members prior to the previous evening’s Council Dinner. He reminded members that institutions wishing to charge more than £6,000 a year after 2012 would be required to conclude an access agreement with the Office for Fair Access (OFFA). OFFA had made it clear that these access agreements should include a mix of activities to reflect the particular circumstances of each institution, with expenditure and the level of commitment to be matched to an institutional assessment of access performance. In particular, OFFA expected institutions to include targeted outreach activities as well as targeted fee waivers and bursaries for poorer students. Targets and milestones were to be included as a mandatory element with institutions expected to provide statistical targets based on applicants and entrants and outreach targets focused on outcomes. The targets were expected to be measurable and show year-on-year progress. Earlier research by OFFA suggested that bursaries had limited impact on the institutional choices made by students (hardly surprising when the primary determinants for which institutions students chose were the academic quality of the institution itself and the grades achieved by individual students). As a result, OFFA had shifted its focus from financial aid to targeted outreach and recruitment.

24. However, the College’s view was that it should continue to attract and recruit the brightest students regardless of their financial circumstances. It was also a fundamental matter of principle that the College should not compromise its high entrance standards. In preparing its own draft Access Agreement, the College had to ensure that it met, as far as possible, OFFA’s requirements without compromising its own principles and objectives. This had resulted in a draft Access Agreement that had no specific targets for the profile of the College’s entrants or applicants, but which committed the College to using 35% of the additional fee income to invest in access. 32% would be used to provide targeted financial aid for students with a household income of up to 42K (the limit suggested by OFFA. The College would also offer financial aid for students with a household income of up to £60K), with the rest used to support the College’s Outreach Strategy. The College had also been keen to involve its students and the students’ union in the preparation of the Access Agreement; as the group of people who had benefitted from the College’s current system of financial aid and support, they were best placed to advise on what measures would be most useful for future students and which were most likely to encourage and support access to the College. To this end, the President of the Imperial College Union, Mr. Kendall, had been a member of the working group on fees, financial aid and the Access Agreement. The group’s work had also been informed by the Union’s survey of current bursary holders, which showed that c. 25% of respondents who knew about the College’s bursary provision would not have applied to Imperial without it, while 70% found it essential to cover their living costs. This underlined the importance of providing sufficient financial aid to students from low income families.

25. The Clerk then reminded members that, in the following discussion, the very full part played by the student body in preparing the draft Access Agreement had been particularly welcomed. Members had felt that this should strengthen the College’s position appreciably
as it was clear that that, whatever OFFA’s views about the sector as a whole, the students who had chosen to study at Imperial valued the financial support provided by the College and many of them would not have been able to study at the College without this. This evidence had also influenced the College’s decision to provide more support for bursaries in preference to fee waivers. Mr. Kendall had reported that this level of student involvement in discussing and agreeing the financial aid package appeared to be unique to Imperial, at least within the Russell Group universities. From his contacts with other students’ unions, he understood that most had either not been asked for their views or had been only minimally involved in the development of their universities’ access agreements. He had also reported that other universities appeared to be offering fee waivers rather than bursaries as the primary means of providing financial aid for students.

26. The discussion on the previous evening had also touched on the College’s decision not to include any specific targets in the draft Access Agreement, even though OFFA expected institutions to include such targets in their access agreements. The Clerk had reminded members that the College was very closely aligned with its benchmarks for the proportion of student from low economic classes and the proportion from low participation neighbourhoods. Although it was slightly below the benchmark for the proportion of students from state schools, if performance in science and maths A levels was taken into account, the College was absolutely in line with its benchmark. Although members had confirmed that the College should not agree to any targets that would compromise its entry standards, it had been suggested that OFFA might be wary of accepting an access agreement without any specific targets. If that proved to be the case, it was suggested that the College might have to reluctantly agree to some outreach-related targets, provided these were related to activities and participation, rather than to applications and admissions.

27. As the College had not provided any targets in its draft Agreement, contrary to OFFA’s published expectations for these agreements, Ms. Lomax asked what its response to the College’s submission was likely to be. Dr. Eastwood said that the College had not yet had heard from OFFA, although he anticipated that it would want to discuss the draft Agreement with the College. He suggested that, if the College did not hear from OFFA in the next few weeks, it might be sensible to contact OFFA to see if it had any concerns. He reminded members that OFFA was due to publish these agreements on 11 July and said it would be preferable for agreement to have been reached with OFFA by that date. The Chairman thought it was unlikely that OFFA would accept the College’s draft Agreement without some discussion, particularly because of the way in which the College’s submission had been framed. However, he reiterated his view that the College was in a strong position to argue its case because of the careful way in which the draft had been prepared and because of the crucial involvement of the students’ union in framing these proposals. Students were the people best-placed to understand the problems and pressures of studying in London and at Imperial and their contribution to this process had been compelling. The Chairman said he was content to go forward with a draft Agreement that had such a high degree of support from the College’s student body. He acknowledged that OFFA, responding to Government pressure, might be more interested in social engineering, but said that the College should resist this; its primary concern must be to maintain standards.

28. Ms. Lomax then asked about the national position and in particular the views of the NUS. Mr. Kendall said that the NUS’s position appeared to be rather confused and contradictory. The NUS was still concentrating on opposing the funding cuts in higher education and it had therefore not focused on the access agreements with OFFA or on the financial aid packages to be made available to students. Indeed, addressing these points would be seen by some in the NUS as an admission that continued opposition to the cuts was futile.

29. The Chairman thanked members for their contributions to the debate, both on the previous evening and at this meeting. He confirmed that the Council’s approval of the draft Agreement, which had already been submitted by the College and which was considered to
be a strong statement of the College’s intended approach. He asked that the Council should be kept informed of any discussions with OFFA and gave an undertaking to the Council that if OFFA required major changes to the Agreement, these would come back to the Council.

FINANCIAL MANAGEMENT REPORT (PAPER E)

30. The Acting Chief Financial Officer, Mr. Andrew Murphy, presented Paper E and said that the College’s financial position was very healthy. Total Income was 4% higher than last year, while research income was up 3% up on the previous year. Fee income had also increased by 11% while the College’s cost base had also reduced, with the result that the College’s operating surplus to date now stood at £48m.

31. Mrs. Couttie welcomed this performance but asked if the improvements to the cost base were as a result of unfilled staff vacancies. If this was the case, she suggested that this could have negative impact on the College and would be a matter of concern, rather than a cause for celebration. Mr. Murphy said that it could often take longer to recruit research staff than originally planned and this delay could result in some savings. However, these did not account for the reductions in the cost base reported in Paper E, which were driven primarily by operational decisions rather than any deliberate under-recruitment. He also said that the drive to reduce costs was focused on the support services; he did not believe that the academic departments and divisions were being pressured to hold back on their activities or reduce expenditure as this would be detrimental to the College’s mission. Professor Dallman agreed and said that, on the contrary, investment in academic recruitment was very healthy. The Rector had already reported on the recruitment of new lectureships and JRFs and the Faculty plans, which were currently being considered in the annual planning round, showed that all of the Faculties were budgeting for increases in the coming years.

32. Turning to the full-year forecast Mr. Murphy said that the College’s income was expected to exceed £700M for the first time with an operating surplus of about £50M. This was likely to be the largest operating margin of any university, although it would be close to the 5% operating surplus recommended by HEFCE. Furthermore, because of the accounting requirements for a number of one-off items including the share offering in Innovations, the bottom-line surplus for the year was likely to be substantially higher than this. The Chairman asked if this level of surplus would be unusual in the sector. The Rector said that it was likely that the research intensive universities in the Russell Group would all generate sizeable operating surpluses this year. This was partly due to the impact of Full Economic Costing, whereby research councils were now paying a more realistic overhead on research grants. Universities were expected to use this additional income to invest in their future research infrastructure and would no longer receive capital funding from the Government. However, one consequence of this was that these universities would inevitably start to generate larger surpluses. The other reason was that the top universities had all responded to the financial downturn two years ago and the expected cuts in public funding by acting to reduce their costs base in advance of these cuts being made. The worst case scenarios that had been developed by Imperial and some other universities had not happened as yet, which meant that their surpluses were larger than originally expected.

33. Ms. Lomax noted that there was still a lot of uncertainty over future income streams beyond 2012; HEFCE in particular did not know what funding would be available in the future for higher education. In these circumstances, and despite an apparently strong surplus this year, she suggested that the tight control of costs should be continued. The Chairman agreed and said that, if an attempt was made to draw a contrast between the College’s large surplus and the need for increased student fees, the appropriate response was that the College would continue to make a loss on teaching home students, even after the projected increase in student fees.
34. The Imperial College Union President, Mr. Kendall, noted that student accommodation had made an £8M surplus. As accommodation was one of students' largest costs he asked why the College was making a surplus at this level. Mr. Murphy said that the primary reason for the substantial surplus this year was that the student halls had achieved an occupancy rate very close to 100%. This was higher than in previous years and much higher than had been budgeted. Baroness Manningham-Buller then asked why student rents were being increased. Mr. Murphy said that the rents would be increasing by 4% next year. This reflected a number of cost pressures including the increasing costs of utilities. It was, however, less than the increases in the private sector or at other universities. The Chairman reminded members that the Union had previously expressed more concern about having a variety of properties and rents available for students, so that those looking for cheaper accommodation could still choose to stay in College. Mr. Murphy agreed and said that Commercial Services was aware that, in recent years, the weighting had moved more towards the upper end than was ideal and that there were many students who would prefer some more rooms to be available at the lower end of the price scale.

**COLLEGE FUND BOARD REPORT (PAPER F)**

35. The Chairman of the College Fund Board, Mr. Newton, presented Paper F and highlighted the increase in the size of the Unitised Scheme from £73.7M to £92.5M. This increase was due to a mix of donations and the proceeds from the share issue in Innovations. With regard to Innovations, he noted that the share price had returned to the initial sale price, while the risks had been significantly reduced. As a result, the Fund now had a much better balanced and more stable set of assets. Turning to its property portfolio, he said that it was very encouraging that rental income was now progressing so well.

36. Mr. Newton reminded members that the College Fund’s prime objective was to produce a real return of 4%. This was, he said, a sensible objective, not only because it provided a decent return to the College, but also because it demonstrated the Fund’s success to potential donors and showed that the College could manage these assets. Finally, he said that the potential development of the Woodlands site would present the Fund Board with several interesting opportunities, but would also require it to make a number of key investment decisions. As the Rector had already acknowledged, it might have to realise some of its existing assets if it was to invest sensibly in the opportunities at Imperial West.

**IMPERIAL WEST**

37. The Council then received a presentation from the Deputy Rector, Professor Richardson, and the CEO of the College Fund Board, Mr. Anderson, on the Imperial West Masterplan, which was being prepared for an application for planning consent. The Masterplan was predicated on an 8 site development around a public square. This included relatively detailed specifications for an academic building (site C, which could potentially house the School of Public Health), three commercial buildings (sites D, E and F, which comprised an incubator, hotel/ conference centre and an accommodation block) together with outline specifications for two more generic academic buildings (sites A and G). The application would seek detailed consent on C, D, E and F with outline consent for the future options on A and G. The College would seek to obtain planning permission at the upper end of the original scale at c.1,200,000 sq ft with a target to achieve consent by Spring 2012. The College had also considered the most efficient and effective route to obtain consent and had agreed that the approach and team which had delivered success on phase 1 should be engaged again, but with some of the risk, and thus reward, being transferred from the College to a fully committed development partner.

38. The Chairman noted that the College’s Management Board and the Portfolio Review Board
had approved this scheme to develop the Woodlands Masterplan in more detail and that it was proposed that the scheme should be developed in partnership with Voreda Capital, who had partnered the College on Phase 1 and who had been instrumental in the successful delivery of planning consents for Phase 1, the postgraduate accommodation block.

Paragraphs 39 – 51 contain information that is commercially sensitive and confidential. For this reason, this section of the minutes will remain confidential.
End of Confidential Minutes.

52. Mr. Conn asked if the College had considered undertaking 100% of the development itself. Mr. Anderson said that the scale of this development meant it was beyond the College’s capabilities; it had neither the experience nor the skills available to undertake a project on this scale. Voreda Capital, however, were professional development managers and did have the requisite skills and experience. Mr. Newsum agreed and said that the College should not try to be a property developer, but should concentrate on its core mission by providing the academic input into this development.

53. The Chairman agreed and said he was convinced that this was a sound deal for the College. However, he asked that future Council discussions of Imperial West developments should be on the basis of substantive papers circulated to members in advance of Council meetings.

54. In the interests of transparency, Professor Sir Anthony Newman Taylor said that he was a trustee of the Rayne Foundation, of which the Hon. Robert Rayne was the Chairman.

DEVELOPMENT BOARD

55. The Director of Communications and Development, Mr. Miller, provided the Council with a progress report on the College’s development activities and the establishment of the new Development Board and Scholarship Campaigns Board.

56. Ms. Owen noted that the Chairman of the Scholarship’s Campaign Board, Mr. Simon Murray, had recently been interviewed about his appointment as Chairman of Glencore. In this interview he had made a number of disparaging remarks about women in business, suggesting that they were not as ambitious in business as men because they had better things to do including bringing up their children. She was concerned that, if he held these views, he was not the best person to represent the College or what it stood for. She had also been approached by a number of senior women in the College who were similarly concerned about the College associating itself with someone who could hold such antiquated views. Mr. Miller agreed that the views expressed by Mr. Murray were not ones that the College would wish to be associated with. However, he said that Mr. Murray had subsequently retracted his comments and had issued a fulsome apology, saying:

“I apologise for any offence caused by my comments regarding the role of women in business reported in the Sunday Telegraph. I’m 100 per cent committed to equal opportunities in the boardroom and across a company’s structure, be they private or public. Businesses which fail to address the under-representation of women at all levels will be at a competitive disadvantage.”

57. The Chairman agreed that the College could not condone Mr. Murray’s remarks. However, as he had now apologised this should be the end of the matter. Mr. Murray was very supportive of the College and was keen to play an active role as Chairman of the Scholarship’s Campaign Board and he would bring considerable energy and enthusiasm to
Moving on, Mr. Miller presented the Council with figures benchmarking the College’s fundraising performance against that of the other Russell Group universities. It was clear from these that the College had a similar success rate to that of these other universities (with the exception of Oxford and Cambridge) and was raising similar amounts annually. He suggested that this was not good enough and that the College should be seeking to move above the Russell Group average. Mr. Newton said he was concerned that this comparison could give a false sense of comfort. The College should, he said, be comparing itself with its international and world-class peers such as Oxford, Cambridge, MIT, Harvard and Yale, all of which had large and extremely successful fundraising operations. At present the College fell far short of the level of performance of these other institutions; however, this was the context in which the College should be measuring itself, rather than the other non-Oxbridge Russell Group universities. He suggested that future reports should include these benchmarks so that the Council could gain a more realistic view of the scale of the task ahead.

The Rector noted that the College had raised about £8M a year since 2002 and that previous actions had done little to change this rate. It was hoped that the creation of the Development Board and the Scholarships Campaign Board would start to have a positive impact and help to move the College on to the next level. However, it was still early and both boards had yet to be fully established. The biggest change was that, rather than being peripheral to the College’s governance structure, these boards would report directly to Council and there would therefore be a much higher degree of accountability at the highest level for fundraising. The involvement of the Council on this activity was, in the Rector’s view, – and the Chairman’s – crucial. Without the Council’s engagement and scrutiny, there was a risk that this activity would revert to its former moribund state.

MAJOR PROJECTS (PAPER G)

Paper G was received for information

RISK COMMITTEE (PAPER H)

The Council received the minutes of the meeting of the Risk Committee held on 23rd March 2011.

CLERK’S BUSINESS

Revisions to College Ordinances (Paper I)

The Clerk presented Paper I and advised members that the Government had removed the default retirement age with effect from 6 April 2011. As the College would no longer able to give staff notice under the default retirement age provisions it was necessary now to amend Ordinance D15 to remove the references to dismissal where a member of staff had reached the normal retirement age.

Resolved:

That the proposed revisions to Ordinance D15, Dismissals on “Other Grounds”, as set out in Paper I, be approved with immediate effect.
ANY OTHER BUSINESS

63. There was none.

NEXT MEETING

64. The Clerk reminded members that the Council’s next Meeting would be held on Friday, 15 July 2011, with a dinner on the preceding evening.

John Keen
15/7/2011
SEARCH COMMITTEE REPORT - APPOINTMENT OF CHAIR OF COUNCIL

A Note by Lord Tugendhat

1. Lord Kerr indicated in the summer of 2010 his intention to step down as Chairman of Council in summer 2011. Ordinance A9 of the College’s constitution lays down in the terms of the Nominations Committee, the following process to follow:

“To make recommendations to the Council for the membership and terms of reference of a separate Search Committee for the identification of a new Chairman in good time before the termination of the Chairman's final term of office, or on notification of the Chairman's resignation, and to make recommendations to the Council for the role description and person specification for the Chairman before the Search Committee begins its search.”

2. The Council on 26 November 2010 approved the Nominations Committee’s recommendation for a Search Committee composed of:

   Lord Tugendhat (Chair)
   Ms Kate Owen
   Rector
   Deputy Rector

   with the Clerk as Secretary.

3. The terms of reference were: “To search for and identify a suitable candidate or candidates for Council to consider for appointment as its Chair by summer 2011.” At the same meeting, Council approved the Duties, Responsibilities and Person Specification for the Chair of Council.

4. An advertisement was placed in the Economist on 14 January 2011 stating that further details of the post could be obtained from the College Secretary by 11 February 2011.

5. A letter from Lord Tugendhat as Chairman of the Search Committee was sent to members of Council, Court and the Board of Imperial College Healthcare NHS Trust on 10 January 2011 asking that anyone they consider suitable might contact the College Secretary by 11 February for further details or to arrange an informal and confidential discussion.

6. In January 2011, a notice was placed in the College’s Staff Briefing fortnightly email to all staff making a similar request. Likewise, the regular bulletin sent to alumni carried the same notice.

7. Some 10 requests for further details of the position were received of which formal applications were received from six candidates. The Secretary had informal telephone conversations with two of these. The Search Committee then asked to see two candidates.

8. On 7 April 2011, the Chairman of the Search Committee wrote to all members of Council saying that they had completed their work and unless anyone had any serious reservation he would recommend Baroness Eliza Manningham-Buller to be appointed as
Chair of Council at the next meeting on 13 May 2011. No reservation has been received; indeed the opposite.

9. Council is invited to appoint Baroness Eliza Manningham-Buller as the Chair of Council from 16 July 2011 to 30 September 2015 in the first instance, with the possibility of re-appointment thereafter by mutual agreement to a second and final term to no later than 30 September 2019.
PAPER B

MEMBERSHIP OF THE COUNCIL

A Recommendation from the Nominations Committee

1. At its meeting on 11 February, Council agreed that Dr Geneviève Berger, Mr Philip Dilley and Sir Simon Milton be approached to ascertain whether they might consider joining the Council.

2. As members will be aware, sadly, Sir Simon Milton died recently after a short illness. A meeting with Dr Berger is still being arranged.

3. The rector and the Deputy Chair have met Mr Dilley on behalf of the Nominations Committee. The Committee recommend to Council that Mr Philip Dilley be invited to join it as an external member.

4. Should Mr Dilley accept, then the current minimum number of vacancies of external members will have been filled. Council may appoint up to a further four external members if it so wishes.

5. Council is invited to appoint Mr Philip Dilley as an external member for a term finishing on 30 September 2015.
HEAD OF THE DEPARTMENT OF CIVIL AND ENVIRONMENTAL ENGINEERING

Professor Nicholas (Nick) BUENFELD, Professor of Concrete Structures, has accepted an appointment as Head of the Department of Civil and Environmental Engineering, Faculty of Engineering, with effect from 1 September 2011 for a period of five years.

HEAD OF FINANCIAL MANAGEMENT/ DEPUTY DIRECTOR

Dr Anthony James Albert (Tony) LAWRENCE, formerly Senior Finance Manager, Asset Protection Agency, has been appointed to the post of Head of Financial Management/ Deputy Director, Finance Division, Support Services, with effect from 16 February 2011.

ASSISTANT DIRECTOR OF THE SMALL AREA HEALTH STATISTICS UNIT (SAHSU)

Dr Anna Louise HANSELL, formerly Acting Assistant Director of the Small Area Health Statistics Unit, in the MRC-HPA Centre for Environment and Health, Department of Epidemiology and Biostatistics, School of Public Health, Faculty of Medicine, has been appointed to the post of Assistant Director of the Small Area Health Statistics Unit (SAHSU), MRC-HPA Centre for Environment and Health, Department of Epidemiology and Biostatistics, Public School of Health, Faculty of Medicine, with effect from 1 August 2010.

PROFESSORS

Dr Mauricio BARAHONA, currently Reader in Biomathematics, Department of Bioengineering, Faculty of Engineering, has accepted the appointment of Chair in Biomathematics, Department of Mathematics, Faculty of Natural Sciences, with effect from 1 May 2011.

Professor Sir Liam J DONALDSON, formerly Chief Medical Officer for the Department of Health and currently Chairman of the National Patient Safety Agency (NPSA), has been appointed to the part-time post of Chair in Health Policy, Centre for Health Policy, Institute of Global Health Innovation, with effect from 1 April 2011 for a period of two years.

Professor Richard John GREEN, currently Professor of Energy Economics and Director of the Institute for Energy Research and Policy, University of Birmingham, has accepted the appointment of Professor of Sustainable Energy Business, Imperial College Business School, with effect from 1 September 2011.

Professor Alfred William RUTHERFORD, formerly Head of the Laboratory of Molecular Bioenergetics and Photosynthesis at the Institut de Biologie et de Technologies de Saclay has been appointed to the post of Chair in Biochemistry of Solar Energy, Division of Molecular Biosciences, Faculty of Natural Sciences, with effect from 28 March 2011.

Professor Robin John SHATTOCK, formerly Professor of Molecular Infection, St George’s Hospital Medical School, has been appointed to the post of Chair in Mucosal Infection and
Immunity, Division of Infectious Diseases, Department of Medicine, Faculty of Medicine, with effect from 1 April 2011.

**Professor David Anthony VAN DYKE**, currently Chair in the Department of Statistics, University of California, Irvine, USA, has accepted the appointment of Chair in Statistics, Department of Mathematics, Faculty of Natural Sciences, with effect from 1 July 2011.

**Professor Douglas Michael (Mike) WRIGHT**, currently Professor of Financial Studies and Director of the Centre for Management Buy-out Research (CMBOR), Nottingham University Business School (NUBS), has accepted the appointment of Professor of Entrepreneurship, Imperial College Business School, with effect from 1 September 2011.

**READERS**

**Dr Igor V KRASOVSKY**, currently Lecturer at Brunel University, West London, has accepted the appointment of Reader in Pure Mathematics, Department of Mathematics, Faculty of Natural Sciences, with effect from 19 September 2011.

**Dr Georgios PAPADAKIS**, currently Reader in Computational Fluid Dynamics, Department of Mechanical Engineering, King’s College London, has accepted the appointment of Reader in Aerodynamics, Department of Aeronautics, Faculty of Engineering, with effect from 1 July 2011.

**Dr Ekaterina SHAMONINA**, formerly Professor in Advanced Optical Technologies, Erlangen Graduate School in Advanced Optical Technologies SAOT, School of Engineering, Friedrich-Alexander-University of Erlangen – Nürnberg FAU, Germany, has been appointed to the post of Leverhulme Reader, Department of Electrical and Electronic Engineering, Faculty of Engineering, with effect from 14 February 2011.

**VISITING PROFESSORS**

**Professor Geoffrey Ernest HAWKES**, currently a Professor in Physical Organic Chemistry, Queen Mary University, has accepted an association with the College as Visiting Professor in the Department of Surgery and Cancer, Faculty of Medicine, with effect from 6 March 2011 for a period of nine months.

**Dr Charles (Chuck) KOSSACK**, formerly an Advisor at Schlumberger Information Solutions, has accepted an association with the College as Visiting Professor in the Department of Earth Science and Engineering, Faculty of Engineering, with effect from 1 February 2011 for a period of three years.

**Professor A RAMACHANDRAN**, has been offered an association with the College as Visiting Professor in the Division of Medicine, Faculty of Medicine, with effect from 8 February 2011.

**RETIREMENTS**

**Professor James (Jim) BARBER FRS**, Ernst Chain Professor of Biochemistry, Division of Molecular Biosciences, Faculty of Natural Sciences, retired on 31 January 2011. Following his retirement he will continue his association with the College as Senior Research Fellow on a part-time basis for a period of one year.
Professor Geoffrey PASVOL, Clinical Professor, Department of Medicine, Faculty of Medicine, retired on 31 March 2011.

RESIGNATIONS

Dr Dorje C BRODY, Reader in Mathematics, Department of Mathematics, Faculty of Natural Sciences, resigned with effect from 31 March 2011, to take up an appointment at Brunel University.

Dr Gianfranco GILARDI, Reader in Protein Engineering, Division of Molecular Biosciences, Faculty of Natural Sciences, resigned with effect from 18 March 2011, to take up an appointment as Chair at the University of Torino and will continue his association with the College as Visiting Professor for a period of five years.

Professor Mehmet IMREGUN FREng, Professor of Computational Engineering Dynamics, Department of Mechanical Engineering, Faculty of Engineering, resigned with effect from 23 March 2011.

Dr Thomas Ostergaard SORENSEN, Reader in Pure Mathematics, Department of Mathematics, Faculty of Natural Sciences, resigned with effect from 31 March 2011, to take up an appointment at Munich University.
PAPER D

THE COLLEGE’S ACCESS AGREEMENT
AND FINANCIAL AID PACKAGE FROM 2012-13

A Paper from the College Secretary

As the College's Access Agreement will be published by the College and by the Office for Fair Access once it has been agreed this paper, which includes an earlier draft of the Access Agreement, has not been included with these Minutes.
The Financial Management Report contains information which is commercially sensitive and confidential and is therefore not included with these minutes.
PAPER F

COLLEGE FUND REPORT

A Report by the Chairman of the College Fund Board

YEAR TO DATE

1. At the consolidated level, the position of the College Fund at the end of March 2011 was as follows

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>31 Jul 10</th>
<th>31 Mar 11</th>
<th>YTD Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>£</td>
</tr>
<tr>
<td>Unitised Scheme*</td>
<td>£73.7m</td>
<td>£92.5m</td>
<td>£18.8m</td>
</tr>
<tr>
<td>Special Circumstances:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Core Property</td>
<td>£124.3m</td>
<td>£123.2m</td>
<td>(£1.1m)</td>
</tr>
<tr>
<td>Long Term Debt</td>
<td>(£20.8m)</td>
<td>(£20.6m)</td>
<td>£0.2m</td>
</tr>
<tr>
<td>Woodlands Loan</td>
<td>(£20.0m)</td>
<td>£0.0m</td>
<td>£20.0m</td>
</tr>
<tr>
<td>Net Property</td>
<td>£83.5m</td>
<td>£102.6m</td>
<td>£19.1m</td>
</tr>
<tr>
<td>Imperial Innovations</td>
<td>£141.0m</td>
<td>£128.2m</td>
<td>(£12.8m)</td>
</tr>
<tr>
<td>Total</td>
<td>£298.2m</td>
<td>£323.3m</td>
<td>£25.1m</td>
</tr>
</tbody>
</table>

* After Distributions and Net Additions

SPECIAL CIRCUMSTANCES PORTFOLIO

OPERATIONAL PROPERTY

2. Wye – All four of the Edward Partridge House units which achieved practical completion at the end of February are now occupied at full asking price, providing a gross rental income of c£50k p.a. With a number of new properties due to come onto the market in Wye in the coming year, the Fund is considering all options for the property, aware of the risk of saturating the rental market in the area., including the potential sale of properties. The Fund’s property advisors, Savills, are in the process of producing a comprehensive options analysis.

3. 52 Princes Gate – Protracted negotiations with the freeholder over the purchase of the freehold have finally come to a conclusion. This will see the freehold obtained for £20k, as well as an undertaking that a similar deal will not be pursued for 53 Princes Gate. The paperwork is being finalised by solicitors acting for both parties. The rent review in relation to the commercial element of 52, occupied by Imperial Innovations, remains ongoing.

DEVELOPMENT PROPERTIES

4. Wye Residential – A revised a planning application for the Wolfson House scheme has been submitted to Ashford Borough Council for consideration. The original scheme was revised after pre-application advice from the Council’s Planning Officers indicated that a more modern approach was considered desirable on that site. A revised total development cost of c£1m will
realise a forecast development profit of c.14.5%, with the forecast rental income standing at £90k from the completed property, giving a return on capital employed of c.9%. Coldharbour House, the £560k development that will create 5 new residential units, has slipped behind schedule, and will now be completed in the first week in June. As it is being carried out under a guaranteed maximum price contract this will not affect the budget.

PLANNING SCHEMES

5. Progress continues in relation to the following projects:

a. **Pembridge Annex** – A planning application for the revised scheme of one house and 13 residential apartments was rejected by the Royal Borough of Kensington and Chelsea Planning Committee on the 22nd of March. This is a frustrating development given the work and time put into the project prior to it reaching committee and the level of Officer support. The rejection is obviously a disappointing outcome, it should be noted that the scheme was rejected only after a lengthy discussion, at the end of which the committee voted 3 to 2 against the scheme. The full formal written decision indicates the rejection was on the grounds of marginal concerns over the roof scape and the materials. Three options: appeal, re-submission or re-design, have been considered, with an independent review of the planning status being conducted, and it has been recommended that the Fund submits a revised scheme which addresses the design concerns expressed by the committee, rather than appeal. The Fund will now proceed on this basis over the coming months, and we are optimistic that only relatively minor adjustments will need to be made to the scheme to achieve a favourable planning outcome.

b. **Wye 3 (Marketing of the Site)** - Three meetings of the Steering Group convened by Ashford Borough Council to ratify Savills’ marketing strategy have now taken place. The finer details of the marketing strategy have yet to be agreed, and a number of changes were made following the third meeting of the group on the 14th of March. It now appears that a positive way forward has been agreed, with certain additions requested by the Council being incorporated into the strategy. Meanwhile, interest in taking the site has been expressed by a small number of groups. Interested parties, should they be deemed credible, are being sent information about the site, including floor plans and historic running costs, subject to signing a confidentiality agreement. 2 parties have met the criteria thus far. One such party, a group of local residents interested in establishing a ‘Free School’ on the site of Main Campus North, have commenced initial consultation work with local residents.

c. **Fisher Hall, Evelyn Gardens** – Attempts continue to shore up political support for the residential care development at Fisher Hall, in the face of opposition from the Conservation Officer at the borough. It does appear that there is political weight behind the plan, and a supportive councillor has written to the Council’s planning officers to request that the scheme is heard at committee rather than be rejected under delegated authority prior to this stage. It is hoped that the committee will agree that the need for this type of facility in this area will outweigh the reservations of the Conservation Officer, which are based on alteration to the rear elevation of the building. The outcome of this is expected shortly.

d. **Imperial West Masterplan** – Work has gathered pace on the development of the College’s strategy for the site. A range of options for the new site have been explored, as well as the likely phasing of the development of the campus and appropriate funding mechanisms for developing the blocks. The College community is supportive of the idea that planning permission is sought for the maximum development potential of the site, and clear that the completed development on the site should have a clear ‘Imperial
College feel and identity. These developments are the subject of a separate presentation to this Council Meeting that sets out the progress made and next steps in line with the outline report at Annex A.

UNITISED SCHEME

PERFORMANCE

6. The portfolio has maintained its sound absolute performance into the year, exhibiting a respectable return for the eight months since July 2010. With respect to the target return of RPI+4%, the Fund has matched this measure over the 30 months since the current investment guidelines have been in place, as shown by the chart below.

![Cumulative Returns Chart]

ASSET ALLOCATION

7. At the February meeting of the College fund Board the decision was taken to revise the Strategic Asset allocation, with the aim being to reflect the shift in the Fund towards property and away from Hedge Funds and other ‘Alternatives’. This is reflected in the chart below.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Minimum (%)</th>
<th>Maximum (%)</th>
<th>Neutral (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Bonds</td>
<td>5</td>
<td>50</td>
<td>15</td>
</tr>
<tr>
<td>Sterling denominated</td>
<td>5</td>
<td>50</td>
<td>15</td>
</tr>
<tr>
<td>G10 ex-Sterling denominated</td>
<td>0</td>
<td>25</td>
<td>0</td>
</tr>
<tr>
<td>Liquid Assets</td>
<td>40</td>
<td>75</td>
<td>55</td>
</tr>
</tbody>
</table>
### Asset Class

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Minimum (%)</th>
<th>Maximum (%)</th>
<th>Neutral (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global equity markets</td>
<td>40</td>
<td>75</td>
<td>55</td>
</tr>
<tr>
<td>Illiquid Assets</td>
<td>0</td>
<td>50</td>
<td>30</td>
</tr>
<tr>
<td>Real estate</td>
<td>0</td>
<td>35</td>
<td>15</td>
</tr>
<tr>
<td>Private equity</td>
<td>0</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Long/short equity</td>
<td>0</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Absolute return (hedge funds)</td>
<td>0</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Other Alternatives</td>
<td>0</td>
<td>10</td>
<td>0</td>
</tr>
</tbody>
</table>

8. As at the end of March the position of the investment portfolio had be moved to reflect this position, and is set out below.

### Asset Allocation

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Strategic (Neutral)</th>
<th>31 Mar 11</th>
<th>Variance</th>
<th>YTD Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equities</td>
<td>55%</td>
<td>56.9%</td>
<td>1.9%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>15%</td>
<td>8.3%</td>
<td>-6.7%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Property (incl. committed cash)</td>
<td>15%</td>
<td>23.7%</td>
<td>8.7%</td>
<td>21.9%</td>
</tr>
<tr>
<td>Cash</td>
<td>15%</td>
<td>11.1%</td>
<td>-3.9%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>0%</td>
<td>12.3%</td>
</tr>
</tbody>
</table>

**SPECIFIC HOLDINGS**

9. **Winstanley Road, Clapham Junction** – The main development over recent weeks has been proposals received from interested parties who have come forward with an offer to purchase the site in full. Both bids come from major UK Insurers and are based on taking the property outright and then leasing the property back to the College directly on an extended 45 year term – ie the JV company, the Rental Guarantee and the non-recourse debt would all be dissolved leaving an alternate structure where Berkeley no longer have any interest and the bidder would take the freehold subject to a longer term lease to the College. The College Fund Board were very supportive of the deal in principle at its meeting on the 4th of April, subject to Management Board and Council approval and detailed work is now being undertaken to assess the level of the risk inherent in the proposed revised terms in order to provide a fully informed recommendation on the proposal.

10. **Project delivery** - On site, project works are now back on programme internally, but remain approximately 5 weeks behind schedule externally. A recovery programme is now in place, and it will not affect the handover date. In terms of marketing and the letting of the properties, sales are going well under the management of the Commercial Services division, with over 100 deposits to secure accommodation received. This figure will be monitored closely over the coming weeks as the level of formal offers for places to undertake taught masters courses increases significantly through May and June.

11. **Woodlands Postgraduate Scheme** – Progress on site is continuing. The demolition contractor, Squibb, was delayed slightly in vacating the site due to the discovery of a large amount of concrete in the ground. The delayed work on the postgraduate site has now been completed, and ISG were able to commence work on site alongside Squibb rather than with
vacant possession, meaning that the work was not delayed. Phase 2 of the demolition (the rest of the site) is now underway and will be completed by the end of May. The main contractor, ISG, is reporting that they are approximately three weeks behind schedule, primarily due to progress on the civil and structural design. This is now being closely monitored, and a recovery programme has been put in place. It is not anticipated that the completion date will be affected, and the project team are closely monitoring progress on site. The scheme remains on programme for completion in time for occupation in time for the academic year 2012/13. The project team remain in dialogue with the neighbours, from whom complaints have been received regarding vibrations and dust, a situation exacerbated by the recent spell of dry weather. Discussions are ongoing and the project team are monitoring the situation, which it is believed will significantly improve now that the majority of the heavy demolition is completed. Some good will payments may be made to residents significantly inconvenienced.

SN
May 2011
PLANNING AT IMPERIAL WEST

BACKGROUND

1. Following the acquisition of the site in September 2009 the College entered into a Joint Venture agreement with Voreda Capital1 to pursue a detailed planning consent for Phase 1 (the Postgraduate Scheme) and hybrid outline consent for later development phases. After consultation with Hammersmith and Fulham, this strategy focussed purely on gaining detailed consent for Phase 1 and achieved a demanding 16 week schedule. Subsequently, following a strategic College review of priorities for the rest of the site, Management Board, the College Fund Board and the Portfolio Review Board have approved in principle the continuation of this Planning Strategy into Phase 2 of Imperial West.

2. The College’s Management Board and the Portfolio Review Board have approved a scheme to develop the Masterplan in more detail, centred on an 8 site development around a public square. This includes an academic building centred on the School of Public Health on plot C, commercial buildings on sites D, E and F and outline specifications for generic academic buildings on plots A and G. The application will seek detailed consent on C, D, E and F with outline for the future options on A and G. The target is for consent at the upper end of the original scale at c.1,200,000 sq ft and to achieve an implementable consent by Spring 2012. The College has further considered the most efficient and effective route to seek planning with the consideration being between continuing with the development management arrangements established out the outset or taking all of the risk and activity on its self. It was agreed that the approach and team had delivered success on phase 1, with a sensible transfer of some of the risk, and thus reward, from the College to a fully committed partner.

3. Further to this decision the arrangements in place with Voreda as the Development Partner have been subject to further negotiation to align the interests whilst ensuring that there is no absolute commitment to partner with them in the ultimate development of each property. This approach ensures enables the momentum and success of Phase 1 to be maintained, ensuring continuity in relation to the understanding of the site and the planning context, vital to ensuring that we capitalise on the favourable planning environment and avoid possible delays caused by the May 2012 Mayoral election. Voreda will again commit to 50% of the planning cost at risk – based on the same, capped, success fee as established for Phase 1 for delivered consents. Within the context of retaining full flexibility for the College, two concessions will be required: Firstly, in the event that the College takes an Non-Core scheme into development through an alternative off-balance sheet route Voreda would be compensated for their planning costs incurred in achieving the delivered consent. In addition, it the event that the College sells or materially disposes of any of the site for purposes unrelated to the College for a significant profit over the original land value, Voreda will be due a percentage payment from that sale in consideration of establishing the revised planning status.

4. To ensure that the commercial status established through the initial selection of Voreda has been maintained in the context of the revised nature of the site, the proposed terms are the subject of a review by the College’s property advisors, Savills. A full letter of confirmation will be provided prior to the formal entry into the agreements, but nothing has emerged from the Heads of Terms that would indicate the proposal has reduced the College’s commercial advantage.

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1 It was formally noted that Voreda has a direct connection with the Honourable Robert Rayne, a member of the College Fund Board, and the potential for conflict has been considered and all decisions made in relation to the joint venture arrangements with Voreda both historically and prospectively have fully considered the risk of conflict and that those conflicts can be effectively managed.
CONCLUSION

5. Voreda bring considerable experience and knowledge to the table, along with access to well priced capital if called upon by the College. This makes them a unique resource in the current environment. College can, moreover, utilise this while remaining free to implement the planning permission at its own absolute discretion. Council are therefore asked to note the proposed formal continuation of their role as Development Managers for the Imperial West masterplan.
HEALTH, SAFETY & ENVIRONMENT

1. There are no issues to report this month. Sites have been regularly inspected and given green status by our Safety Manager.

PROJECTS APPROVED & UNDER CONSTRUCTION

SOUTH EAST QUADRANT 1ST PHASE (£76M)

2. Mechanical Engineering Levels 0 & 1: decant into the Thermofluids teaching lab was programmed for Easter break. Work continues on finding solutions to technical challenges as they arise in the engine and heavy test labs. Arup vibration specialists have been working on some resonance issues and we now have proposals to overcome these difficulties. Also additional control panels in the engine test labs have been requested. It is anticipated that the stainless steel process exhaust system will be completed in the next quarter and temporary facilities continue to be used for research until final installations are completed. We are controlling the changes to maintain within the programme budget.

BLOCK ‘L’ (£74M)

3. Bovis lost some time before Christmas with snow and they are entitled to programme extension for this. They have also lost a further 2 weeks with late delivery of lab benches but they are programmed to pull this back. We have agreed a revised handover date of 26th August for the former issue and some minor overlap with fit-out may be necessary but a delay in occupation is not foreseen for the beginning of 2012.

HAMMERSMITH CBSH1 FACILITY (£10.5M)

4. This project has been successfully completed on time and budget and the users are delighted that such a complex project has gone so well. This is in no small part to the collaboration of users, contractors and management alike.

PILOT PLANT (£8.9M)

5. This project is progressing well on site. Compensation for the College for incorrect specification of metal floor decking has been agreed with the Structural Engineers and this work is being carried out. Project generally remains on time and budget.
ROBOTIC ASSISTED MICROSURGERY LABS (£1.03M)

6. Level 4 and 5 works in Bessemer have been successfully completed and the area is now a visually stimulating showcase for the research.

CHEMISTRY AND RCS1 ESSENTIAL AND PRIORITISED WORKS (£2M)

7. Cable is now laid and road repaired and final power swap-over successfully made.

SPACE UTILISATION REFURBISHMENT ST MARY’S (£1.1M)

8. Room 224 is now instructed for refurbishment.

MPAC MATERIALS FOR ENERGY (£3.04M)

9. Strip out is progressing well and infill floor will be installed ahead of schedule.

ICT DATA CENTRE WORKS (£1.45M)

10. Order now placed with 8 Build and Programme and procurement is being developed.

PROJECTS IN PRE CONSTRUCTION

ACEX LEVEL 5 FOR BUSINESS SCHOOL (£5.5M)

11. Surveys and design are underway on a 10-week programme.

COLLEGE FUND PROJECTS

PEMBRIDGE GARDENS (£3.7M)

12. Planning has been rejected on conservation grounds. The College Fund Board is considering the next steps.

WYE CAMPUS PROJECTS – VARIOUS (£1.3M)

13. Wolfson House. Stage C design completed and Savills are preparing planning application. Contractor Brennan is reviewing the cost plan.

14. Coldharbour House. Due for completion in May

IMPERIAL WEST POSTGRADUATE ACCOMMODATION
15. Demolition and piling mat completed, piling virtually completed and ground beams are being formed. Some concern has been expressed by 14 neighbours on cracks to walls allegedly caused by vibration during demolition of the old BBC buildings. This is being handled by Project Managers but we are keeping a close eye on it for reputational purposes, and to ensure good neighbourly relations are maintained. Independent surveys have been undertaken on all houses where complaints have been made and measures taken accordingly to ensure residents are not inconvenienced.

ICON PROJECT

QATAR BIOBANK

16. Director of Capital Projects and Planning is assisting ICON and academic team to develop building specifications and agreement of responsibilities with Hamad Medical Corp and Qatar Foundation. Specification for both temporary and permanent facilities will be drawn up by the end of April.

PLANNING & THIRD PARTIES

WYE

17. Ashford Borough Council (ABC) has drawn up an interpretation of the planning inspections requirements for marketing the Fund’s Wye Estate. We have had this reviewed by a QC and adjusted. A marketing strategy has been developed in association with ABC for agreement with the members of the steering board including Parish Council and village representatives. This is the basis for at least a minimum 6 month marketing campaign as an educational/training estate.

IMPERIAL WEST

18. Mini/Max analysis of the options for the Imperial West estate has been produced and received well by HODs. Management Board are in support of outline planning strategy which now awaits Council approval to move forward and plan to master-plan the site and design the first academic building for the School of Public Health and post-graduate teaching up to the planning stage.
Present: Mr Jeremy Newsum (Chairman)  
Dr John Groom  
Professor Dame Julia Higgins  
Mr Alex Kendall  
Sir Rob Margetts  
Mr Andrew Murphy  
Mr Stuart Newton  
Sir Keith O’Nions  

In attendance: Mr Bruno Cotta (to Item 5 only)  
Dr Rodney Eastwood  
Mr David Forbes  
Mr Ian Gillett  
Mr Jon Hancock  
Mrs Louise Lindsay (to Item 4 only)  
Mr Nigel Wheatley (to Item 4 only)  
Ms Justine Soulieux  

Apologies: Baroness Manningham-Buller  
Professor Stephen Richardson  

ITEM 1 – INTRODUCTION AND WELCOME

1. Mr Newsum had agreed to chair this meeting in Baroness Manningham-Buller’s absence.

2. The Chairman welcomed everyone to the inaugural meeting of the Risk Committee and invited them to introduce themselves.

ITEM 2 – APOLOGIES

3. Baroness Manningham-Buller and Professor Stephen Richardson had sent their apologies.

ITEM 3 – TERMS OF REFERENCE (PAPER A)

4. The Committee anticipated that its role (and Terms of Reference) would evolve over a period of time.

5. The Committee discussed whether it might be more appropriate for its Terms of Reference to refer to “review annually and report to the Council” the College’s risk appetite (at 2.b of its Terms of Reference) and the College’s Risk register (at 2.c of its Terms of Reference) instead of
“Review annually and recommend to the Council" but accepted that it was the Risk Committee’s role to give Council assurance, via its Audit Committee, that systems were in place and as such resolved to keep the Terms of Reference in their current form for the time being.

6. It was noted that it might be advisable to refer expressly to “disaster recovery” in the Committee’s Terms of Reference.

7. The Chairman directed Committee Members to email the Secretary with any further thoughts on this topic.

ITEM 4 – IMMIGRATION QUOTAS

Proposal to limit the Number of Overseas Student Visas (PAPER B).

8. The Academic Registrar reminded the Committee that reduction of immigration in the UK was a key government target and one way the government was seeking to deliver this was to control abuse of overseas student visas. The Home Office had issued a consultation on the student immigration system in December 2010 and a copy of the consultation document had been circulated to the Committee as Paper B.

9. The Academic Registrar outlined some of the proposals that were causing concern.

a. The government was considering raising the level of courses students could study under the new overseas student visa which would reduce the number of overseas students admitted to sub-degree programmes (e.g. A Levels). This was of concern because around half of the College’s overseas students were recruited after they had completed A-Levels in this country. There was a risk that raising the level of courses students could study might reduce the number of students studying A-Levels (or equivalent) in the UK which might mean the College would have to change its recruitment activities.

b. The government was considering requiring that students return to their home country to obtain a Tier 4 visa before re-entering the country to study either at university level after school or between one degree and another. The College did not think this was necessary and was concerned this would be an additional hurdle which would make the UK university system look unfavourable compared to its competitors.

c. The government was considering introducing tougher entry criteria for students including passing a secure English language test. The College did not think this was necessary and deciding whether a student was suitable for admission was primarily an academic one and therefore for the institution which in any case had its own English language requirements. It also, as above, presented another hurdle which made the UK university system look unfavourable.

d. The government was considering requiring that students return overseas immediately after the end of their course. Many students
viewed the opportunity of consolidating their studies with some work experience in the UK on graduation as a significant benefit of coming to the UK to study in the first place. Removing this opportunity would make the UK university system less attractive.

10. The government had made an announcement on changes to the student visa system the day before this meeting (on 22 March 2010) and although there had not been much time to review the announcement in detail, preliminary indication was that the government had taken on board universities’ concerns in particular with regards to 9.d above.

11. The Rector noted that the College had in this instance applied pressure collectively with the Russell Group because the College had felt it would be more effective than individual action.

12. The Committee received a presentation from the Director of HR on “Immigration Limits – Impact of Staff”. A copy of the presentation slides is annexed to these Minutes.

13. With regards to the “Tier 1 Exceptional Talent” route the Director of HR noted that some clarification was still required. However the Tier 1 route could be used simultaneously to the Tier 2 route and as such she was anticipating that the College would use the Tier 1 route primarily as backup for Tier 2 application.

14. In the case of “Tier 2 Restricted Allocation” visas, the job would need to have been advertised with the Job Centre for 4 weeks. The College would issue employment contracts conditional on a Tier 2 visa being obtained. The Director of HR noted however that since the system was point based, the College should have a relatively clear idea by the time it was issuing the contract whether the application was likely to be successful. The Committee voiced concern at how the system may be perceived and that it may dissuade applicants from applying for jobs in the UK. The Director of HR noted that the process presented a guaranteed turnaround period which mitigated the risk, and was therefore confident that this would be resolved once it was demonstrated the process was demonstrated to work as expected.

15. In the case of “Tier 2 Unrestricted Allocation” visas, there wouldn’t be any requirement re job advertisement.

16. The Committee noted that the issue would remain on the College’s Risk Register and that it would be looking for updates and assurances that the process was working as expected and wasn’t presenting any further cause for concern.

17. The Director of Risk Management presented Paper D (Overview of the
College’s Risk Management processes) and gave a demonstration of Empirical, the College’s on-line Management Tool.

18. The Committee was very positive about Empirical but made the following recommendations.

   a. Empirical had to remain robust enough to ensure management buy-in / uptake. To ensure this, Empirical and its continued development had to be properly resourced (both in terms of money and time). The Committee advised that Empirical should be presented / taken to Council so its importance was understood.

   b. Proper uptake would require behavioural change: the Director of Risk Management noted that this would take time but was happening, and there was already a shift in perception from negative (identifying a risk was perceived as acknowledgment a job wasn’t properly done) to positive (identifying and managing risks was part of good management).

   c. It was noted that all departments were now required to update their risk registers as part of the annual planning round but there would at some point have to be a decision (between Management Board and the Risk Committee) that 100% compliance was expected.

   e. There was concern about under-resourcing at the departmental level, and this should be monitored.

   f. Although the identification of risk was to a certain extent subjective, there needed to be backup and consistency. It was noted that the Risk Management department reviewed all risks with high impact or high likelihood (which it then discussed with the Department concerned) and proposed to identify emerging issues by spotting emerging themes. The Committee advised that potentially terminal risks (i.e. risks with a very high impact, irrespective of their likelihood) should be reviewed at a higher level.

   g. Sir Rob Margetts advised that it would be helpful if College risks were grouped as: financial, political, academic, operational and reputational and noted that, on the financial side, he had concerns about the College’s assets/liabilities mismatch (in nature as well as timeframe) which he would recommend be looked at in greater detail, and areas of income/expenditure mismatching which should give clues to the College’s vulnerabilities. Sir Rob Margetts and the Director of Finance agreed to discuss this outside the meeting.

19. Mr Bruno Cotta suggested that there was merit in adopting a common approach to the process of identifying potential future risks at the project proposal stage (in particular new ventures in unfamiliar settings) and would discuss with the Director of Risk Management.
ITEM 7 – OVERVIEW OF DISASTER RECOVERY ARRANGEMENTS

20. The Director of Risk Management presented an outline of the College’s Disaster Recovery arrangements. A copy of the presentation slides is annexed to these Minutes.

21. The Director of Risk Management was confident that he had a comprehensive 24 x 7 emergency contacts list for every department.

22. With regards to the three phases of a disaster (Preparation, Response and Recovery) preparation made all the difference. In this respect, the Director of Risk Management reported that practice exercises were regularly carried out; a Silver Crisis Management Group exercise had (successfully) taken place in September 2010 and a Reactor Centre emergency exercise had recently taken place. However it was noted that a Gold SERG practice exercise was overdue: it was originally scheduled to take place earlier this year but had had to be postponed to April / May 2011 due to difficulties with participants’ availability. The Committee recommended that the College should ensure ‘rehearsals’ took place frequently.

23. There was a brief discussion about the College’s Disaster Recovery Standing Committee whose role was to provide 24x7 management review and escalation of emerging issues and risks, and to provide first line identification and appointment of a group leader of an appropriately constituted group to manage the issue. The Director of Risk Management noted that each of the four people making up the Standing Committee (the Director of Risk Management, the Director of Communications and Development, the Deputy Rector and the Director of Facilities and Property Management) had nominated substitutes and that any one of these four people had authority to make a decision on behalf of the Disaster Recovery Standing Committee.

ITEM 8 – DETERRING TERRORIST ACTIVITIES (DTA) INITIATIVES (PAPER E)

24. Due to time constraints, this Agenda Item was not discussed. It was agreed to postpone discussion until a later meeting where appropriate time could be devoted to it.

ITEM 9 – OVERVIEW OF HEALTH & SAFETY

25. The Safety Director presented an overview of Health and Safety in the College. A copy of the presentation slides is annexed to these Minutes.

26. The Safety Director noted the following additional points:

   a. Trade union representation at recent Health & Safety Consultative Committee meetings had been poor but that he hoped his monthly
meetings with union representatives would improve matters.

b. The Safety Department produced a quarterly publication “Health & Safety Matters” and distributed copies to the Committee.

c. The Safety Department had developed an on-line Risk Assessment Foundation Training (RAFT) course to teach College members about the College’s safety risk assessment process. RAFT was mandatory for every new member of staff if they have line management, area, equipment or process management responsibilities and are therefore required to conduct risk assessments.

d. The Safety Department has an in-house auditor who carries out departmental audits and who reports findings to the College’s Health, Safety and Environment Committees.

30. The Risk Committee and the Safety Department both recognised that permits to work was a live issue.

ITEM 10 – EXTERNAL AUDIT OF THE COLLEGE’S HEALTH AND SAFETY MANAGEMENT SYSTEM: KEY POINTS (PAPER F)

31. HASTAM audited the College’s Health and Safety Management System at the end of 2010. A summary of key recommendations, and actions the College was taking to address those recommendations, was set out at Paper F.

32. The Safety Director summarised that HASTAM’s overall conclusion was that the College had made significant improvements in its health and safety management system and was now largely compliant with the Health and Safety Executive’s Successful Health and Safety Management (HSG65) standard but that there was now a new British standard for health and safety management systems (BS OHSAS 18001). The College did not have to comply with BS OHSAS 18001 but, whilst acknowledging that not every department would be able to, the College would gradually be working towards compliance.

ITEM 11 – ANY OTHER BUSINESS

33. The Chairman noted that Baroness Manningham-Buller had a list of potential agenda items for future Risk Committee meetings which included
- Removal of the retirement age
- Reliance on overseas students fees
- NHS reforms affecting our clinical academic workforce
- Succession planning
- Requests for deviations from usual dress code (burqas)
- System upgrades
- Contingent liability review
- Bribery Act 2010.
34. The Chairman would report to the Council on Risk Committee’s first meeting.

ITEM 12 – DATE OF NEXT MEETING

35. The Committee agreed that it would be preferable, since the Committee was newly formed, that it should be meet three times a year initially at least. The Secretary would try to schedule a meeting to take place before the summer break.

JAS

March 2011

Annexes:

A Slides of the presentation “Immigration Limits – Impact on Staff”.
B Slides of the presentation “Disaster Recovery Planning.”
C Slides of the presentation “Health and Safety at Imperial College”.

COUNCIL

13th May 2011
1. As members will be aware, the Government removed the default retirement age with effect from 6 April 2011. This means that the College is no longer able to give staff notice under the Default Retirement Age (DRA) provisions and would instead have to provide an objective justification for the use of a compulsory retirement age in order to avoid age discrimination claims. To comply with these new provisions, the College will no longer apply a compulsory retirement age and this will cease to be a reason for staff dismissal.

2. Ordinance D15, which sets out the procedures for dismissal on ‘other grounds’ (i.e. grounds other than redundancy, discipline, health, non-renewal of a limited-term contract or termination of a clinical contract), currently includes references to dismissal where a member of staff has reached the normal retirement age for the post held. As this is no longer an option, these references should be removed from this Ordinance.

3. The proposed revisions to Ordinance D15 are shown in the attached Annex. The Council is invited to consider, and if it sees fit, approve these proposed revisions.

R.F.E.
May 2011

Proposed Resolution:

That the proposed revisions to Ordinance D15, Dismissals on “Other Grounds”, as set out in Paper J, be approved with immediate effect.
This Ordinance is made pursuant to Part V, Clause 18 of the Appendix to the University’s Statutes.

1. This Ordinance must be read in conjunction with the Appendix to the University’s Statutes (hereinafter the “Appendix”) and with Ordinance D7 and the other Ordinances dealing with staff matters. In the event of a conflict the Appendix takes precedence.

GENERAL

2. In taking any action under this Ordinance regard shall be had to the disciplinary and dismissal procedures provided within Schedule 2 of the Employment Act 2002.

ACTION UNDER THIS ORDINANCE

3. This Ordinance covers dismissals on any ground other than those covered in the Ordinances made under Parts II (Ordinance D11), III (Ordinance D8), IV (Ordinance D12) and by Clauses 16, 17 and 19 of Part V of the Appendix.

4. This Ordinance shall apply where the reason the University is contemplating dismissing a member of staff is substantial and shall cover, but shall not necessarily be limited to, the following potential fair reasons for dismissal:

   a. Some other substantial reason of a kind such as to justify the dismissal of an employee holding the position which the employee held; or

   b. The member of staff not being able to continue to work in the position which he held without contravention (either on his part or on that of the University’s) of a duty or restriction imposed by or under an enactment; or

   c. The member of staff reaching normal retirement age for the post held.

5. The procedure to be followed where the member of staff is approaching the normal retirement age for the post is contained within Paragraphs 12 and 13 of this Ordinance. The procedure for all other dismissals is contained within Paragraphs 6-11 of this Ordinance.

ACTION PRIOR TO A HEARING

6. Where the University is contemplating terminating a member of staff's employment under Paragraphs 4.a or 4.b above, it will, where appropriate, consult with the member of staff in relation to the proposals.
7. Following that period of consultation (if any) the Head of Department/Division or his or her nominee shall consider the matter and whether the procedure set out in Paragraph 10 below should be invoked.

SUSPENSION

8. If appropriate, the member of staff may be suspended while the matter is being considered. The reason or reasons for suspension and requirements during the suspension should be discussed at a meeting with the member of staff (where a colleague or union representative can be present if desired). The arrangements will be confirmed in writing. If it is not possible to meet with the member of staff, written notification will be sent to the member of staff and a meeting date will be set up to discuss the reasons for the suspension and arrangements during the period of suspension.

9. During any period of suspension, the provisions contained within Paragraph 18 of Ordinance D7 shall apply.

DISMISSAL

10. The dismissal proceedings should be conducted in accordance with the requirements set out in Ordinance D8, The Disciplinary Procedure.

APPEALS

11. Appeals against dismissal should be conducted in accordance with the requirements in Paragraphs 32 to 39 of Ordinance D8, The Disciplinary Procedure.

RETIREMENT DISMISSALS

12. The University is committed to adopting a more flexible approach to retirement and working patterns for older members of staff where it is in the interests of the department/division and the member of staff.

13. In the event that a member of staff wishes to continue working beyond their normal retirement date, the process for considering requests shall be conducted in accordance with the University’s Retirement Procedure and Guidelines.

Approved by the Council 23 March 2007
Effective from 8 July 2007
Revisions approved by the Council 13 May 2011