MINUTES OF THE PROCEEDINGS

at the

Nineteenth Meeting of the

COUNCIL

of the

IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Nineteenth 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, 26th November 2010, when there were present:

The Lord Kerr of Kinlochard (Chairman), Professor D.K.H. Begg, Professor M.J. Dallman, Professor Dame Julia Higgins, Mr. A. Kendall, Dr. M.P. Knight, Professor J. Kramer, Ms. J.R. Lomax, Mr. J. Newsum, Mr. S. Newton, Ms. K. Owen, Professor S.M. Richardson, Professor S.K. Smith and the Rector and the Clerk to the Court and Council.

Apologies: Mrs. P. Couttie, Baroness Manningham-Buller and the Lord Tugendhat.

In attendance: The Chief Executive of the College Fund (for Minutes 32 - 36 only), the Director of Communications and Development (for Minutes 37 - 41 only), the Director of Risk Management (for Minute 44 only) and the Assistant Clerk to the Court and Council.

CONGRATULATIONS

Before opening the Meeting the Chairman, on behalf of the Council congratulated Mr. Newsum who had just a few days before completed the New York Marathon in a time of 3 hours, 59 minutes.

MINUTES

Council – 24th September 2010

1. The Minutes of the seventeenth Meeting of the Council, held on Friday, 24th September 2010 were taken as read, confirmed and signed.

NOMINATIONS COMMITTEE

Report from the Nominations Committee (Paper A)

1. Before presenting Paper A, the Chairman reminded members that, at the Special Meeting of the Council held on 3 November, the Council had been advised of the appointments of Professor Stephen Smith as Pro-Rector (Health) and Professor Sir Anthony Newman-Taylor as Principal of the Faculty of Medicine, both with effect from 1 December. He had reported at that meeting that arrangements would be made for Sir Anthony Newman-Taylor to be interviewed by Ms. Owen and Professor Dame Julia Higgins on behalf of the Council prior to his being appointed as a member of the Council. He was pleased to say that Ms.
Owen and Dame Julia had now met with Sir Anthony and had recommended that he be appointed to the Council as a member of the senior staff.

Resolved:

That the appointment of Professor Sir Anthony Newman-Taylor as Principal of the Faculty of Medicine and ex-officio member of the Council, with effect from 1 December 2010, be approved.

2. The Chairman then presented Paper A. Although the Paper invited the Council to approve the appointment of the new Council members proposed by the Nominations Committee, he suggested that this was premature and instead asked the Council to agree that the Nominations Committee had identified some very able candidates and to empower him as the Chairman to approach the three nominated individuals to ascertain whether they would be willing and able to serve as external members of the Council, if appointed. As all three candidates were extremely busy with several outside interests, he thought it likely that not all would be able to accept appointment at this stage. Only once the candidates had confirmed that they would be willing and able to serve would the Council be asked to formally ratify their appointment. The Council agreed the Chairman's proposal.

3. The Chairman then said that he regretted the fact that these initial candidates were all male; the Nominations Committee was, he said, acutely aware of the need to ensure that the membership of the Council reflected the diversity of Imperial staff and student bodies. The Nominations Committee would make further recommendations for appointment to the Council in the New Year and he hoped that these further proposals would include a wider range of candidates in terms of gender and ethnicity. To this end, he asked all Council members to remember the need for greater diversity on the Council when making suggestions to the Nominations Committee.

**Report on the Search for a new Chairman (Paper B)**

4. The Clerk introduced Paper B and said that the Lord Tugendhat had agreed to chair the Search Committee for a new Chairman. An advertisement would be placed in the *Economist* in the New Year and Lord Tugendhat would be writing to various external bodies as well as to members of the Court and Council inviting suggestions for consideration by the Search Committee. The Council would be provided with regular progress reports and it was hoped that the new Chairman would be identified by July 2011. For now, he asked the Council to approve the membership and terms of reference of the Search Committee and the job description for the Chairman.

Resolved:

That the role description and person specification of the Chair of Council and the composition and terms of reference of the Search Committee, as set out in Paper B, be approved.

**RECTOR’S BUSINESS**

**Staff Matters (Paper C)**

5. Paper C was received for information.

6. Noting the retirement of Professor Charmian Brinson as Head of Languages, Department of Humanities, which was reported in Paper B, the Chairman paid tribute to the support and leadership she had brought to the College's languages provision. She had shown
considerable initiative in developing new sources of income and in raising external funds for languages, and in particular for the teaching of Russian and Arabic at Imperial. On behalf of the Council, he thanked Professor Brinson for all her hard work and the commitment she had shown to Imperial.

Rector's Report

7. The Rector presented his report to the Council, highlighting in particular the outcomes of the Government's Comprehensive Spending Review and the potential impact on the College; its proposals for increasing student tuition fees; the progress being made in confirming appointments to the new development boards; and other matters of interest to the Board. A copy of the Rector's presentation is attached at Annex A.

8. The Chairman said that he was surprised at the level of bursaries provided by Imperial College for its students: he had not realised that as many as 24% of Home/EU students received some form of financial aid from the College each year. This level of support was, he thought, admirable. Moving on, he suggested that the College's priority in responding to the Government's proposals should be to ensure it was able to assist those with the ability to benefit from study at the College but without the necessary financial means; in other words, Imperial's admissions system should be needs-blind with the only criteria for entry being the academic quality of the candidates. For many, he suggested, this would require access to full bursaries and generous maintenance provision. He believed that the College should also articulate this policy publicly and make it clear that it would seek private donations to support its provision of bursaries.

9. Ms. Lomax said that the Government's proposals represented a major change in the way education was funded in the UK; the effective withdrawal of almost all direct funding for higher education would have a significant impact across the sector with the arts and social sciences not being funded at all. She was also concerned at the levels of debt that students would now be expected to take on. Furthermore, graduates would have to pay an additional 9% of their future income in what was effectively a graduate tax once they reached the new threshold of £21K. The only way for them to avoid this would be to work in low-paid employment or leave the country. In either case, she suggested that this could act as a disincentive to university graduates to work in the UK or contribute fully to the UK economy. In view of these major changes she was, she said, surprised that the HE sector appeared to be so accepting of these changes and she asked if the College should express greater opposition to the Government's proposals.

10. Although he agreed with much of her analysis, the Chairman said he did not believe that the College should attempt to take on the Government alone. The Rector agreed and said that the two main representative groupings in HE were Universities UK (UUK) and the Russell Group. The Russell Group recognised that the current HE funding regime was not sustainable, particularly now that the Government needed to make drastic reductions in public expenditure. It was therefore broadly supportive of proposals which would at least allow its member universities to meet their costs and had decided not to challenge the thrust of the Government's proposals. UUK, which represented a much broader range of institutions, some of which would find the new proposals very challenging, was not so supportive, but it too recognised the need to work within the framework set out by the Government. Although universities and their representative bodies had not expressed outright opposition to the cuts, students and academics had done so on an individual basis. Indeed, he said, there was a substantial campaign of opposition by individual students and academics across the country.

11. The President of the Imperial College Union, Mr. Kendall, said that students at Imperial recognised the value of the education of they were receiving and believed it was just that they should make a contribution towards the costs of providing this education. The main
issue for many of them was whether the increased student fees would match the amount being cut from the direct grant and thus allow the College to meet its costs and continue to offer bursaries and financial support to those who needed it. Consequently, the Imperial College Union was not opposed to the proposed increase in tuition fees.

12. The Clerk reminded members that, although much of the publicity surrounding the cuts had focused on the impact on arts and the social sciences, funding for science, technology and medicine subjects would be subject to exactly the same level of cuts. All that would remain of the HEFCE teaching grant was the 'science premium' - an extra amount paid by the Government to reflect the additional costs of providing scientific programmes. As the premium did not fully meet these additional costs and was in any case likely to be recalculated by HEFCE, it was misleading to suggest that science subjects had been protected from the full impact of these cuts.

13. The Chairman said that the Government had now set out its policy and was unlikely to change this. It would therefore be better for the College to consider how to ensure that its implementation did not work against Imperial's best interests. For example, he said that the College should resist any suggestion that universities wishing to charge the higher fee of £9K should be subject to access targets or quotas. The best way to do this would be to concentrate on the College's bursary schemes and how these could support the less well off students. Professor Begg cautioned that, because of the political focus on ensuring access, it was tempting to look only at schemes to assist the poorest students, when many of these students would be better off under the new proposals than under the current system. The real impact of these changes would be felt by the 'squeezed middle' who would now be facing an additional tax rate of 9%. He suggested that it should therefore be possible to obtain a competitive advantage from a scheme that would assist these students. He understood that some other universities were in discussion with major banks to see what options were available and he said that Imperial should also consider whether it could provide an alternative and cheaper loan scheme through the banks. Such a scheme might be attractive to prospective lenders because of the high quality of Imperial's students and their excellent employment prospects.

14. The Rector said that there was a strong possibility that the Government's proposed scheme would prove to be part of a transitional process and would eventually be replaced by a more considered scheme in a few years. Consequently, he did not think the College should try to establish its own loan schemes, particularly as any external lenders would probably require the College to underwrite the loans to students. The Chairman agreed that the proposed loan repayment arrangements were unlikely to survive for long. He also agreed that the College should not involve itself in arranging or underwriting loans for students. He reiterated that the most important thing now was for the College to look at the ways in which it could support access on its own terms through generous bursary schemes or fee waivers which would ensure that it could continue to attract the very best students regardless of their ability to pay.

15. Ms. Lomax accepted that the 40% cut in funding for higher education was now in the Government's spending plans and was therefore non-negotiable. Similarly the rise in tuition fees was also now a done deal. However, she said that the loan scheme and repayment schedules might yet be subject to change, particularly if the level of repayment was lower than initially expected. The Chairman agreed and said that as and when the loan scheme was modified and/ or replaced, Imperial would then need to make its views known to ensure that any replacement scheme was sensible and workable.

16. Mr. Newsum asked that if the Council was going to look at the various options for fees. For example, would it be possible to charge the basic £6K fee to all students and then concentrate on endowments and philanthropic donations to fund the additional £3K per student. This might ensure the College was able to obtain the maximum available income without being subject to onerous access targets. The Chairman suggested that fee options
should be one of the main topics for the Council's next meeting, once more detailed funding information was available from HEFCE and the Government. The College should aim to avoid any artificial access provisions through the provision of a strong and credible scholarships and bursary scheme.

17. Professor Dame Julia Higgins asked what impact this might have on the College's overseas student fees. The Rector said he could see no reason to change the College's overseas fees or to amend its policy in this regard. These were already significantly more than home fees and would remain so even after the increase in home/EU student fees. The Chairman asked if the College should consider raising these in line with the home fees increase. The Chief Operating Officer, Dr. Knight, noted that the College's overseas fees had risen significantly in the last few years and were now amongst the highest in the country; he saw no reason to change the College's successful overseas fees policy in the light of the increase to home/EU fees.

18. In relation to this latter point, Ms. Lomax asked if the increased restrictions on student visas being imposed by the Government would impact the College and if so, if this was a concern. The Rector agreed the restrictions were a concern and said that, in this area at least, universities could argue more effectively through their representative bodies than individually. Both UUK and the Russell Group had been effective in arguing against the changes to the visa system in the past and he hoped that they would continue to work with the Home Office to ensure that the Government understood the HE sector's requirements. Of more concern was the impact on staff, and in particular researchers. It was in this area that the increased restrictions and the reduction in the visa quota could affect the College's ability to recruit staff and undertake research. In addition to the new restrictions, a further concern was the cost of visa applications and the amount of time taken to process them, both of which could act as serious disincentives for young researchers to come to the UK. The College's International Office was working closely with the Russell Group and UUK to make sure its experiences were being fed back into the Government.

19. Bringing his report to a close, the Rector highlighted the report on College metrics, which had been circulated as Paper D with the papers for this meeting. It was intended that these metrics would be updated and circulated to the Council periodically and at least once a year. The Chairman welcomed this report and agreed that the Council should receive these metrics at least once a year. Ms. Lomax noted that the proportion of first degree graduates in work or study six months after graduation (table 10) appeared to have declined in 2008-09. Professor Begg suggested that this change was relatively small and was probably not statistically significant. Mr. Newsum asked that some explanation of which of these metrics were most important and the implications of any changes or trends would be useful in future iterations. However, like the Chairman, he welcomed the production of these figures.

Oral Report by the Deputy Rector and Principal of the Faculty of Engineering

20. Professor Richardson said that this was his last report as Principal of Engineering as he would be handing over to Professor Magee at the end of the year. One of Professor Magee's first tasks as Faculty Principal would be to find a successor to himself as Head of the Department of Computing. Turning to his responsibilities as Deputy Rector, he said that the annual Planning Round would take place in February/March and his office was now preparing the ground for this. This year he wanted to look in particular at space planning issues with the faculties and departments.
Oral Report by the Principal of the Faculty of Natural Sciences

21. Professor Dallman reported that the restructuring of the Department of Life Sciences was progressing according to plan. She also reported that the Institute of Mathematical Sciences, which had been established to bring together Mathematicians and researchers from across the College to tackle fundamental problems needing significant mathematical input, had not been able to secure sufficient funds to guarantee its long term sustainability. The Institute was therefore moving out of its current location at 53 Prince's Gate and would now be housed within the Department of Mathematics. It would continue to run the successful programmes it had established, so there would be no loss to the College's academic mission from this change of location.

Oral Report by the Principal of the Imperial College Business School

22. Professor Begg reported that the Business School had recently launched a new Masters programme in strategic marketing which would explore the fundamentals of marketing with a focus on digital media. This was an exciting development for the School, which he hoped would be very successful. Professor Begg also reported that UCL and the London Business School had recently announced that they would be creating a joint Institute of Innovation and Entrepreneurship. As innovation and entrepreneurship were particular strengths of Imperial's Business School, this could be seen as a direct competitor for the School. Professor Begg was confident, however, that the School's programmes and research in this area and the School's integration with the rest of the College meant that this was less of a threat than it otherwise might be.

Oral Report by the Principal of the Faculty of Medicine

23. Professor Smith noted that this would be his last report as Principal. He said that the Medical School had been working for some time on a project to develop a comprehensive patient database for North West London. This would hold data on 2.7M patients and would therefore support an integrated healthcare system for the whole area. It would also be an ideal resource for epidemiological research as well as a means of monitoring phase IV, post approval clinical studies. The local primary care trusts (PCTs) were very supportive of these proposals. Experience elsewhere suggested that, in the longer term, a comprehensive database on this scale would also be of interest to pharmaceutical companies when conducting clinical trials; the primary objective though was to provide improved healthcare in the area and greater coordination of activity between the PCTs and the AHSC. The Faculty was continuing to develop and enhance its international links and was in discussion with prestigious US institutions about how they could work together on global healthcare systems.

Oral Report by the Senior Dean

24. The Senior Dean, Professor Kramer, reported that the deans had been heavily involved on appointment panels in the last few months. As he had previously explained, ensuring that consistent standards were maintained across the College was a major role for the deans and their position on appointment panels was a significant part of this. On a personal level he had also been chairing a review of the College's Outreach activities. In view of the focus being given to the provision of fair access in relation to student fees, these activities could be very important for the College and so the review was timely. He said that the review was due to be completed soon after Christmas and would report to the Management Board in January.
ANNUAL REPORT AND ACCOUNTS

Annual Report and Financial Statements for the Year Ended 31 July 2010 (Paper E)

25. Presenting Paper E, Dr. Knight said that the year-end figures were very much in line with the forecasts that had been presented to the Council through the year. In the light of the challenging economic environment, Dr. Knight suggested that the College's results, with an increase of income of 3% to £694M and an operating surplus of £42M were very good indeed. The Financial Statements had, he said, been scrutinised by the Audit Committee, which had recommended their approval by the Council. Dr. Knight also drew members’ attention to the Annual Report, which had been prepared by the College's Communications Team and which presented the College's achievements over the year admirably.

26. Before asking members to formally approve the Financial Statements, the Chairman drew their attention to the Corporate Governance and Public Benefit statements on pages 28 and 29. The Council confirmed that it was satisfied with both statements.

Resolved:

That the Financial Statements for the year ended 31 July 2010 be adopted.

The External Auditors’ Representation Letter (Paper F)

27. Dr. Knight presented Paper F and advised members that the Representation Letter had been scrutinised by the Audit Committee, which had recommended its approval by the Council.

Resolved:

That the Representation Letter for the External Auditors, as set out in Paper F, be approved.

Annual Report from the Audit Committee (Paper G)

28. In the absence of the Chairman of the Audit Committee, the Clerk presented Paper G. He drew members' attention to the requirement for the Audit Committee to provide an assurance on data quality, which had first been introduced in the previous year and had now been enshrined in the HEFCE Financial Memorandum. He also reminded the Council that HEFCE had now been appointed as the Charity Regulator for universities, which brought with it some additional reporting requirements which were set out in the report. He was pleased to confirm that the Audit Committee had been able to provide all the assurances required of it and its opinions were clearly set out in the Report.

29. The Chairman noted that the College had decided to develop an in house software tool, EMPIRICAL, for risk management. In his experience, such decisions sometimes proved rash, and he asked why the College had chosen to develop its own system. The Clerk explained that the College had assessed a number of commercially available systems, all of which were prohibitively expensive and failed to meet the College's requirements. Having been designed in-house, Empirical met the College's specific requirements and was also much more cost-efficient. It was now being implemented across the College and had been well received by the Departments. Although he agreed with the general rule, in this case an in-house development had been the right thing to do.
Summary College Risk Register (Paper H)

30. Paper H was received for information.

FINANCIAL MANAGEMENT REPORT (PAPER I)

31. Dr. Knight presented Paper I. Although these were the first financial results for this year, they were already very good with the College’s cash position in particular being healthy. Given the recent concerns about the health of the Irish banks, Dr. Knight assured the Council that the College had no deposits in any of the Irish banks.

COLLEGE FUND BOARD REPORT (PAPER J)

32. Before presenting Paper J, the Chairman of the College Fund Board, Mr. Newton, invited the Chief Executive of the College Fund, Mr. John Anderson, to join the Meeting in order to report to the Council on the various property issues that the Fund Board had recently been addressing.

33. The President of the Imperial College Union, Mr. Kendall, noted that a formal planning application had been submitted to the Royal Borough of Kensington and Chelsea to create a residential care facility at the Fisher Hall student residence in Evelyn Gardens. As Fisher Hall was still being used as a student residence, he asked for the position of Fisher Hall to be clarified. Mr. Anderson confirmed that Fisher Hall was currently a core asset and therefore not part of the College Fund. However, the freehold of this property was held by the Wellcome Trust and they were keen to work with the College to redevelop the property, which was rather dilapidated, and to explore possible alternative uses. The Hall was therefore, he said, a potential non-core asset. However, he assured Mr. Kendall that the Hall would only be transferred to the College Fund if the accommodation it provided could be replaced elsewhere; there was no intention to reduce the number of bed spaces for undergraduate students. Dr. Knight said that Fisher Hall needed to be refurbished, but that the cost of doing so would be prohibitive. The College and the College Fund were therefore exploring ways in which a better replacement for Fisher Hall could be funded: hence the planning application to Kensington and Chelsea. The Chairman thanked Mr. Kendall and reiterated the commitment that had been given to the previous Union President that Fisher Hall would not be transferred to the College Fund unless and until equivalent accommodation was re-provided elsewhere.

34. The Rector then asked about the next stages of the Woodlands Project. Mr. Anderson said that after much consideration it been decided not to submit a formal hybrid planning application for the whole site alongside the detailed scheme for postgraduate accommodation. This approach had proved successful and the postgraduate scheme had been unanimously approved by Hammersmith and Fulham Council on 13 October. Work on the development of the rest of the site was now continuing, building on the overall uses and massing for the site agreed prior to the initially planned hybrid application. The Rector said that the plans for the rest of the site had not yet been discussed within the College nor by the Council and it would be important for the College and the Council to be fully involved before the development plans were taken much further. The Chairman agreed and said that the Council had yet to decide on how the rest of the site was to be used. This decision would be key to how the overall site would be developed and he suggested that, once the College’s plans had coalesced, they should be presented to the Council for consideration and, ultimately, approval. The Chairman then congratulated Mr. Anderson on the progress made with the postgraduate scheme and the speed with which the College had been able to obtain planning consent for this part of the Woodlands scheme.
35. Mr. Anderson then reported on the rest of the Fund’s property portfolio. The Winstanley Road scheme was now well ahead of schedule, which meant that the property would be available to students a full year earlier than anticipated. It had therefore been included in next year’s prospectus and was now being advertised to students. This was an excellent result and would also mean that the Fund would start to see a return on its investment a year earlier than originally planned. With regard to Woodlands, following the receipt of planning permission for the postgraduate scheme, demolition of the relevant building had now commenced. Tenders for the new build had also been received, all of which were well within the proposed cost programme. Practical completion was planned for August 2012, in time for the 2012-13 academic year. Mr. Anderson confirmed that the overall position was satisfactory and that the postgraduate scheme at Woodlands was progressing as well as, if not better than, could reasonably have been expected. Mr Anderson then advised the Council that, in order to satisfy the lender (Santander) a formal opinion on the College’s capacity to enter into all the necessary documentation to move into the next stage of development was required. As with the earlier Winstanley deal, this opinion was being provided by Mills & Reeve who had requested that the Council formally approve the resolution set out in Annex A to the paper.

Resolved:

(i) That the entry by the College into the Existing Agreements be hereby ratified;

(ii) That the entry by the College into the Indemnities and all and any other indemnities which may be required to facilitate the Woodlands Development as the College Fund Board may in its absolute discretion see fit are hereby approved and ratified; and

(iii) That the authority of the College Fund Board to do all acts and things and enter into all and any documentation necessary to facilitate the Woodlands Development (including entry into the Direct Agreement, Option Agreement, Lease and the Rental Guarantee Agreement and, for the avoidance of doubt, any documents which amend, supplement, novate or replace the Existing Documents from time to time) be hereby confirmed; and

(iv) pursuant to paragraph 42 of the Ordinance C1, the Director of Finance be instructed to note all and any guarantees and indemnities given by the College in relation to the Woodlands Development (including the Agreement for Rental Guarantee and Indemnities) in the central record of all guarantees and indemnities given by the College.

36. The Chief Operating Officer, Dr. Knight, then provided members with an update on the Innovations Rights Issue, which had been approved at the Special Meeting of the Council held on 3 November. He confirmed that the Rights Issue would go ahead on 6 or 7 December and that Invesco had decided to purchase the College’s rights, the sale of which would provide about £6M for the College Fund. The Rights Issue would generate an additional £140M of capital for Innovations.

37. The Council received a presentation from the Director of Development and Communications, Mr. Tom Miller, on the proposed Festival of Science at Imperial that would in future coincide with the annual meeting of a reconfigured Court. Invitations to attend the Festival would be issued from the Court to the media, government, schools, alumni, neighbours, friends, donors, special guests, livery companies, professional societies and embassies. In addition to attending the Court Meeting itself, members of the Court would be asked to invite colleagues and friends to the Festival. A copy of the presentation is attached as Annex B to these Minutes.
38. The Chairman welcomed the proposals, which seemed to him to provide a much clearer role for the Court, while also serving to highlight the success of the College's research. He asked Mr. Miller if a similar presentation could be given to the Court at its next Meeting in February in order to obtain Court members' views on these proposals.

39. The Union President, Mr. Kendall, noted that the annual Imperial College Union Summer Ball was held on a Saturday evening in mid-June, before the end of the summer term. He suggested that, if the proposed Festival was moved forward, the events could be coordinated, with the Summer Ball forming a fitting end to a series of events spreading over the Friday and Saturday. He also said that the initially proposed date of 8/9 July would clash with the end of term when students were leaving halls of residence. This might make it difficult to arrange a large number of events and would also make it more difficult for students to be involved in the Festival.

40. Ms. Owen said that arranging a two day programme for the first year might be overly ambitious. She suggested that, for this year at least, it might be sensible to concentrate on what could be successfully achieved with the Court, with some of the other events being built on to the core event in future years. Ms. Lomax agreed and said that arranging a Science Festival including all of the events suggested in the presentation as well as a Court Meeting and a staff party would be a formidable challenge, particularly with the relatively short lead time available. She suggested that a staff party might be a step too far this year and that the College confine itself to arranging a single day of events this time.

41. The Chairman thanked members for their helpful suggestions and comments and, in particular, Mr. Kendall for the proposal that the Science Festival be linked to the Union's Summer Ball. He asked that an amended proposal be prepared in the light of these comments for presentation to the Court at its next Meeting.

FELLOWSHIPS, HONORARY DEGREES ASSOCIATESHIPS AND THE IMPERIAL COLLEGE MEDAL

Proposed Amendments to Ordinance B2 (Paper L)

42. The Clerk presented Paper L and said that, when discussing nominations for the award of Fellowships and Honorary Degrees, the Management Board had felt that the criteria for each award were too similar and that there was insufficient distinction being made between them. It was therefore proposed to amend the criteria to differentiate between the Fellowship and Honorary Degree awards and also to allow for greater use to be made of the Imperial College Medal, which had been added to the College's awards in the previous year.

Resolved:

That the proposed revisions to Ordinance B2, Honorary Degrees, Fellowships and Associateships of the college, as set out in Paper L, be approved.

Nominations for the Award of Fellowships and Honorary Degrees of the College and of the Imperial College Medal (Paper M)

43. The Clerk presented Paper M and commended the nominations for the award of Honorary Degrees, Fellowships and the Imperial College Medal contained therein.
Resolution Required:

That the nominations for the conferment of Honorary Degrees, for the election of Fellows of the College and for the award of the Imperial College Medal, as set out in Paper M, be approved.

CONSORT REACTOR

44. The Council received a report on the Consort Reactor Centre from the Director of Risk Management, Mr. David Forbes.

PROGRESS REPORT ON UK CMRI (PAPER O)

45. Professor Dallman presented Paper O and updated members on progress with the College's proposed membership of the UK Centre for Medical Research and Innovation (UK CMRI). She confirmed that the joint venture agreement had been signed by the four founding partners on 9 November 2010 and that good progress was being made in discussions on the accession of Imperial and KCL to UK CMRI. One issue still to be resolved concerned the registration of PhD students. This was a matter of significant importance for all the universities involved in the Centre and it was therefore in everyone's best interests that this was resolved satisfactorily. Finally, she reported that the cost of Imperial's entry had reduced slightly to £40M, to be phased over 5 years.

CARBON MANAGEMENT PLAN (PAPER P)

46. The Clerk presented Paper P, explaining that the Carbon Management Plan was intended to articulate the College's commitment to reduce its carbon footprint over the next five years. The target saving of nearly 25,500 tonnes of CO$_2$ per annum represented an absolute reduction of 20%. The Carbon Management Plan also set out how some of these savings would be achieved and established an aspirational target for the College of a 34% reduction by 2020 against the 2008-09 benchmarks.

Resolved:

That the College's Carbon Management Plan, as set out in Paper P, be approved.

MAJOR PROJECTS (PAPER Q)

47. Paper Q was received for information

ANNUAL RETURNS TO HEFCE (PAPER R)

48. The Clerk presented Paper R and reminded members that, as part of its 'single conversation' process HEFCE required higher education institutions to submit an Annual Monitoring Statement (AMS), a Corporate Planning Statement (CPS), Financial Forecasts (FF) and a Financial Commentary (FC) each year. He advised members that these returns had been considered by the Management Board at its last Meeting. The Board had approved the AMS and CPS and had recommended that the Council approve the Financial Forecasts and Financial Commentary.
Resolved:

That the Financial Forecasts and Financial Commentary, as set out in Paper R, be approved.

PROPOSED AMENDMENTS TO COLLEGE ORDINANCES (PAPER S)

49. Presenting Paper S, the Clerk reminded members that, at its last Meeting, the Council had asked that the proposed terms of reference of the Management Board be amended to clarify the Management Board's role in decision making and the limits of its authority and to ensure that these were consistent with the authority delegated to the Rector. These amendments had now been made. At the same time, the Audit Committee had been asked to review its terms of reference to ensure that they were coordinated with those of the Risk Committee and also to take account of the latest HEFCE guidance. The amended Audit Committee terms of reference had been considered by the Committee, which had recommended their approval to the Council.

Resolved:

(i) That the revisions to the Audit Committee terms of reference, as set out in Paper S, be approved and then incorporated into Ordinance A9, Committees of the Council.

(ii) That Ordinance A11, the Management Board, as set out in Paper S, be approved.

MEMBERSHIP OF APPEAL PANELS (PAPER T)

50. The Clerk presented Paper T, which included an updated listing of approved panel members for appeal committees.

Resolved:

That the List of Appeal Panel Members, as set out in Paper T, be approved.

ANY OTHER BUSINESS

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51. On behalf of the Council the Chairman expressed his and the Council's sincere thanks to Dr. Martin Knight and Professor Stephen Smith whose last Meeting of the Council this was. Both had made key contributions to its debates; their imaginative and innovative approach had been refreshing and highly productive.

NEXT MEETING

52. The Clerk reminded members that the Council’s next Meeting would be held on Friday, 11 February 2011, with a dinner on the preceding evening. The Meeting would be followed by the annual Meeting of the Court.
Council Meeting
Friday 26 November

Keith O’Nions, Rector
26 November 2010

Comprehensive Spending Review

- **Higher Education**: HE budget reduced by 40% overall

- **Research**: QR - research funding relatively protected – cuts mainly to teaching and training support

- **STEM**: expectation is that only STEM subjects will still receive support – arts, humanities and social sciences funding likely to be removed/much reduced
Browne review and government proposals

**Browne recommendation:** £6K standard fee with a progressive levy (government claw back) above that - **rejected**

**Government announcement:**
- Fees will be capped at £6K (standard) £9K (exceptional)
- Exceptional fees will have imposed conditions – mainly related to widening access
- Access to loans – needs blind for the full £6-9K tuition charge, but no levy. Needs blind for maintenance loans up to £3,750
- Loan repayment - £21K threshold (up from £15K)
  - 9% repayment rate (as previously)
  - Maximum interest rate = RPI + 3%

Imperial College - 2012 fees

- College will need to **announce its fees** in March 2011 for October 2012 entry
- College expects to charge the **£9K maximum** (but imposed conditions??)
- HEFCE might provide ~ **£3.5K** for lab subjects

**At present:**
- Lab-based courses cost ~ **£12.2K**
- Medicine costs ~ **£15K**
Bursaries and student aid

It is essential for Imperial College to ensure that the brightest students are attracted and recruited regardless of their ability to pay

Present Student Support:
• IC spends ~£4M on student aid - ~£3.5M from fee income, ~500K from the College Fund
• 24% Home/EU students receive some form of bursary or financial aid each year (2008/09)
• 15% Home/EU students receive the full Imperial bursary (2006/07, 2007/08, 2008/09) - which is £3,500 (2010 entry)

Direction of travel

• Government is withdrawing from HE teaching support
• Scholarships and financial aid will now become a central part of universities’ offer – both as obligation and competitive differentiator
• Imperial should respond by moving progressively towards a US model of endowment
Development update

Tier 1: College Campaigns

Tier 2: Faculty/Department Led Campaigns

Annual Fundraising report – 09-10

Recognition and thank you to our Donors and Volunteers (all listed)

- **£8.3M** raised
- **£1.1M** - largest non-legacy donation (Grantham)
- **£1M** - Mr Alan Howard, Senior academic post in 'Business of Sustainable Energy'
- **1,848** donors
- **~140K** from the Alumni Telethon (US&UK) so far, 53% gift rate
‘Imperial College West’ – vision and options

• **Stephen Richardson to lead a group** (including Pro Rector Health) to provide a **Vision and set of Options** for the development of Hammersmith and Wood Lane campuses.

• **Aim is to bring coherence between the College and Imperial College Healthcare Trust** in the development of these sites.

Post Olympic Innovation Hub

• **Government Initiative to create a technology cluster** in the Olympic Park post 2012

• **Realisation that university involvement is critical** - Imperial approached first because of innovation track record (UCL and Loughborough are also now involved)

• **Public money** - likely to be limited

• **Google, Facebook, Intel, BT, CISCO** - engaged by HMG

• Scope for **Innovations??**

• **No formal commitments made**
Imperial College metrics

Recommendation from Margetts’ report on the College’s governance - KPIs for Council to monitor progress against strategy

Metrics included in Council papers aim to:
• quantify the aims of the new College Strategy
• represent a baseline against which to measure College performance and future trends
• provide multiple years worth of data for Imperial
• outline comparisons to competitor institutions

Proposal:
• These metrics to be provided to Council annually during the first term of the academic year.
Imperial Festival:
an annual celebration of Imperial and its contributions to society

Tom Miller, Director of Communications and Development

New look Court: Reflecting our stakeholders

Membership drawn from 12 new categories:

- Council
- Senior executive team
- Staff
- Students
- Alumni
- Philanthropists
- Employers of our graduates
- Schools
- Research sponsors
- Associated NHS bodies
- Friends and Neighbours
- Other research, education or other partners or associates

Total membership of up to 90
What is possible with a new format and approach?

- Engage the Court and their guests (ie reaching out to more stakeholders) in the work and ambitions of the College
- Support fund-raising objectives

Also a massive chance to generate buzz and pride:

- Annual public exhibition of research & translation highlights
  - Involve Imperial Innovations, Imperial College Healthcare NHS Trust + other NHS...
- Annual awards and honours show
- Open Day for prospective students
- New date for Alumni reunion – hook into College mainstream
- Staff celebration – family friendly
- Other ideas...?

Lectures, posters, demos, interactives, hands-on stuff
Events we could pull in – Alumni Reunion, College Open Day

Staff celebration -- 2007 Centenary still talked about...
Day 1: Friday

Morning: Formal business of the Court – AGM style

Annual Awards presentation
  • New Fellows acclaimed, new Professors hailed, National Honours recognised etc
  • Rector’s Awards and Excellence Awards

Luncheon – tables grouped by interest

Afternoon: Imperial exhibition opens, debates and lab tours across Campus
  • Focus on the exhibition space – posters and interactive stands
  • Visits to selected research labs across Campus, Reach Out Lab
  • Afternoon panel debates on a topical science issue – interactive

Evening: Fundraising Dinner & Distinguished Alumnus Award

Day 2: Saturday

Imperial exhibition continues, debates and lab tours across Campus
  • Focus on the exhibition space – stands and interactives.
  • Visits to selected research labs across Campus, Reach Out Lab.
  • Saturday morning debate /young science communicators battle (Science Idol)

Family friendly Lecture – e.g. reprise Xmas Children’s lecture?

Business focussed Lecture

Imperial 1000 Club and Legacy supporters luncheon

Staff and family picnic in Princes Gardens
Timing considerations in 2011

Seven months away

- UG Science and Engineering Open Day – Weds 30 June
- Summer term ends (students still here) – Friday 1 July
- Henley & Wimbledon Finals weekend – 2/3 July
- Royal Society Summer Science Exhibition – Tuesday 5 to Sunday 10 July
- UG Medicine Open Day – Wednesday 6 July
- College Founding Day – Friday 8 July

Target dates for 2011 programme: Friday-Saturday 1-2 July – brings curtain down on term, UG students still here

Budget: much re-badging of existing funded events; promotional costs, direct costs and organising staff for the Festival will require an additional expenditure of c. £100k

Benefits of Imperial Festival

- Underpins and makes tangible the purpose of a new Court
- Engages Court members in College’s activities
- Facilitate networking and dialogue between Imperial staff and stakeholders
- Use the ‘AGM’ platform to project ‘state of Imperial’ messages more broadly
- Celebrate academic success in front of peers not parents
- Support fundraising activities by demonstrating to prospective and current donors how they add value
- Revive a flagging autumn Alumni reunion event
- Wake the campus up to Open Day for prospective students
- Create sense of tradition: pride around our Founding Day
1. The Nominations Committee met on 4 November. The rector reported on arrangements following the departure of Dr Knight at the end of this calendar year. In considering a successor or successors for the CFO/COO position, the rector asked whether the Chairman and two external members of Council might advise him both on the structure of the post(s) and, in due course, in line with our new governance arrangements, who might fill them. Jeremy Newsum and Kate Owen have kindly agreed to join me to help in this way.

2. The committee considered candidates to recommend to Council as possible new external members. The list was compiled from internal databases and suggestions from members of Council. The committee was advised that a minimum of two and a maximum of six new members were needed. The Chairman recommended that, at this stage, no more than three be put to Council at its meeting on 26 November. The three the Committee recommends, with mini cvs, are given in the Annex; (1) two are alumni. No-one will be approached until after the Council has considered the recommendations.

3. The committee is continuing to search for and consider other possible candidates and is likely to make further recommendations to Council early in 2011.

4. Council is invited to consider and, if it agrees, to approve those listed in the Annex as new external members of Council and to ask the Chairman to invite them to join the Council from an early convenient date.

JK

1. The Annex has been omitted from these minutes as details of the candidates to be approached are confidential at this stage.
SEARCH FOR A NEW CHAIR OF COUNCIL

Note by the Clerk

1. Lord Kerr has signalled his intention to step down from the chair of Council in summer 2011. We therefore need to find his replacement. 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 Committee met on 4 November and proposes to Council that the Search Committee be composed of:

   Lord Tugendhat (Chair)
   Ms Kate Owen
   Rector
   Deputy Rector

   with the Clerk as Secretary.

3. The terms of reference are proposed as: “To search for and identify a suitable candidate or candidates for Council to consider for appointment as its Chair by summer 2011.”

4. The Annex to this paper contains a draft for the duties, responsibilities and person specification for the Chair which the Committee recommends to Council.

5. The intention would be to elicit applications for the Search Committee to consider through a letter sent from Lord Tugendhat to the Council, Court and Imperial College Healthcare NHS Trust Board and a College Notice (which is sent to senior members of staff). An advertisement would be placed in The Economist. A search agency would not be employed.

6. After considering applications the Search Committee may recommend that a candidate (or a short list of candidates) might meet members of Council informally before Council decides on an appointment.

7. Council is asked to consider, and if it agrees, approve the role description and person specification of the Chair of Council and the composition and terms of reference of the Search Committee.
1. The Chair provides leadership and direction to the Council, the governing body of the College, enabling it to fulfil its responsibilities for the overall governance and direction of the College.

2. The Chair leads the non-executive oversight of the College. Along with other external members of Council, he or she will contribute their personal experience and professional, specialist and general management skills to the oversight of the College.

**DUTIES and RESPONSIBILITIES**

3. The primary responsibility of the Chair is to ensure that the Council:
   - accepts the Primary Responsibilities of Council.\(^1\)
   - delegates its powers to the executive in compliance with the College’s Statutes and Ordinances.\(^2\)
   - upholds the College’s Charter, Statutes and Ordinances, its financial and HR regulations and codes of practice and related governance policies and procedures.
   - is satisfied that the College complies with its legal obligations, including those for Health and Safety, Equal Opportunities and Discrimination, Freedom of Information and Charitable activity and that the College properly accounts for the use of public and private funds and complies with the requirements of the HEFCE Financial Memorandum.

4. The Chair will conduct the business of Council meetings efficiently and ensure that its committees are properly constituted and effective. The Chair will normally chair the Nomination and Remuneration committees.

5. The Rector, as chief executive, is accountable to Council through the Chair who will provide oversight, guidance, support and performance-management. The Chair will also keep in contact with other senior executive officers of the College.

6. The Chair, with the Rector as advised by the Management Board, will lead the Council in determining the strategy of the College.

7. The Chair may provide feedback and support to other external members of Council on the contribution that they make to the Council and College.

8. The Chair, in conjunction with the Rector, may represent the college formally on occasion in the UK and overseas.

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\(^1\) See Appendix 1, Ordinance A4 ‘Statement of Primary Responsibilities’

\(^2\) See Appendix 1, Ordinance A4 ‘Delegation of Powers’
9. The Chair should:

- Normally be present and chair all meetings of Council and the Nominations and Remuneration Committees.

- Play his or her part in the business of the College in an effective, efficient, open and transparent manner.

- Attend training, induction and other events as appropriate.

- Become familiar with the work of the College through discussion with the Rector and other staff and through appropriate engagement with the activities, issues and life of the College.

- Conduct themselves in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.³

PERSON SPECIFICATION

10. The Chair of Council:

- Must be of international standing with excellent contacts and influence in the higher reaches of government, industry and/or other stakeholder organisations. Ideally, experience and contacts should complement rather than duplicate those of the Rector.

- Have proven ability in the governance of large and complex organisations.

- Ideally, though of secondary importance, have a successful record in fundraising.

- Must have a real commitment and enthusiasm for university education and research that is pursued at the highest international level.

- Must be able to work with the other non-executives, with the Rector and other executive members of the College.

- Must be sympathetic to the values and culture of the College and the interests of its students.

- Must be able to devote sufficient time to the affairs of the College, expected to be about 3 days a month on average, but have the flexibility to devote significantly extra time when occasion demands

11. The appointment is for an initial term of four years, renewable by the Council for another four year term.

12. Reasonable expenses may be claimed but the Chair of Council position is not remunerated.

16 November 2010

³ See Appendix 2, ‘Seven Principles of Public Life’
STATEMENT OF PRIMARY RESPONSIBILITIES

1. The Council’s principal responsibilities are:
   a. To approve the mission and strategic objectives of the College, its long-term business plans and key performance indicators, and to ensure that these take account of the interests of the College’s stakeholders.
   b. To safeguard the good name and values of the College.
   c. To appoint the Rector, the College’s chief executive, and to put in place suitable arrangements for monitoring his/her performance.
   d. To delegate authority to the Rector, as chief executive, as advised by the Management Board, for the academic, corporate, financial, estate and personnel management of the College.
   e. To ensure the establishment of systems of control and accountability, including financial and operational controls, risk assessment, and procedures for managing conflicts of interest; and monitor the effectiveness of these systems.
   f. To ensure that processes are in place for regular monitoring and evaluation of the performance and effectiveness of the College against its approved plans and key performance indicators.
   g. To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
   h. To be the principal financial and business authority of the College, to ensure that proper accounts are kept, to approve the annual budget and financial statements, and to have overall responsibility for the university’s assets, property and estate.
   i. To be the College’s legal authority and, as such, to ensure that systems are in place to ensure that all its legal obligations, including those arising from contracts and other legal commitments made in its name, are properly met.
j. In accordance with the College’s Charter and Statutes, to act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the College.

k. To ensure that the College’s Charter and Statutes are adhered to at all times, with appropriate advice available as necessary.

l. To approve the College’s human resources strategy.

m. To establish processes to monitor and evaluate the performance and effectiveness of the Council itself.

n. To appoint a Clerk to the Council and ensure that accountability for his/her performance in that capacity is properly separated from such managerial responsibilities as she may have in the College.

**GENERAL DELEGATION OF POWERS**

2. The delegation of Powers of the Council is defined in Statute 3(6) of the University's Statutes as follows:

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

3. Pursuant to Statute 3(6), the Council has determined that the following matters may not be delegated to its committees or its officers except by resolution of the Council:

   a. Final approval of the University’s Strategic Plan.

   b. Final approval of the University’s Annual Budget.

   c. Final approval of the University’s audited Annual Financial Statements.

   d. Final approval of purchases or disposals of assets, land or buildings exceeding £5M in value other than Non-Core Assets held within the College Fund.

   e. Final approval, prior to drawdown, of any borrowing facility exceeding £5M.

   f. Final approval of the University’s Investment Policy.

   g. The appointment of the Rector.

   h. The appointment of the Deputy Rector and the other members of the Senior Staff appointed to the Council.

   i. The appointment of the Chairman of the College Fund Board;
ij. The appointment of the Clerk to the Council and of the College Secretary.

CHAIRMAN’S ACTION

4. Pursuant to Statute 3(6) the Chairman shall have delegated powers to act on the Council’s behalf between its scheduled Meetings on:

a. Items of routine business that would not normally merit discussion at a meeting of the Council;

b. Matters relating to the implementation of policies that have already been approved by the Council.

5. Where an issue arises which, in the view of the Chairman, is too urgent and important for consideration to be deferred until the next scheduled Meeting of the Council, the Chairman shall have delegated authority to take action on the Council’s behalf. Such action may, at the discretion of the Chairman, take the form of:

a. Calling a Special Meeting of the Council;

b. Consulting with the Members of the Council by correspondence;

c. Taking Chairman’s action.

6. In all cases, the Chairman will exercise great care before taking action on behalf of the Council, and will consult with the Clerk to the Council on the most appropriate course of action. Chairman’s action on matters of importance will be taken only where delaying a decision would disadvantage the University.

7. Where the Chairman has exercised his delegated authority to act on behalf of the Council, a written report on the action taken will be made to the next scheduled Meeting of the Council which shall give its formal endorsement or otherwise to the action.

Approved by the Council: 23 March 2007
Effective from 8 July 2007
Revised by the Council: 13 July 2007
Revised by the Council: 14 March 2008
Appendix 2

SEVEN PRINCIPLES OF PUBLIC LIFE

Public concern about the financial probity of members of parliament and other holders of public office led to the setting up in 1994 of the Committee on Standards in Public Life (chaired by Lord Nolan and later Lord Neill). The Committee drew up seven principles of public life as a yardstick against which public service may be measured. These are:

1. **Selflessness.** Holders of public office should take decisions solely in terms of the interest of the public. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

2. **Integrity.** Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

3. **Objectivity.** In carrying out public business, including making public appointments, awarding contracts, and recommending individuals for rewards and benefits, holders of public office should make choices on merit alone.

4. **Accountability.** Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. **Openness.** Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands this.

6. **Honesty.** Holders of public office have a duty to declare any private interest relating to their public office duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. **Leadership.** Holders of public office should promote and support these principles by leadership and example.
PAPER C

STAFF MATTERS

For the period 1 September 2010 – 31 October 2010

A Note by the Rector

PRO-RECTOR (RESEARCH)

Professor David BEGG, currently Principal of Imperial College Business School, has been appointed to the post of Acting Pro Rector (Research), in addition to his current responsibilities, with effect from 1 October 2010.

INTERIM HEAD OF DEPARTMENT OF MATHEMATICS

Dr Emma McCOY, formerly Deputy Head of the Department of Mathematics, has accepted an appointment as interim Head of Department of Mathematics, with effect from 6 July 2010.

DIRECTOR OF COMMERCIAL SERVICES

Mrs Jane NEARY, formerly Assistant Director of Commercial Services, has been appointed to the post of Director of Commercial Services, with effect from 1 August 2010.

ASSISTANT DIRECTOR OF COMMERCIAL SERVICES

Mr Neil MOSLEY, currently Head of Sport Imperial, has been appointed to the post of Assistant Director of Commercial Services, in addition to his current responsibilities, with effect from 1 August 2010.

DIRECTOR OF COMMUNICATIONS AND DEVELOPMENT DIVISION

Mr Tom MILLER, formerly Director of Communications, will lead the newly merged office of the Office of Alumni and Development and the Communications Division, with effect from 1 August 2010.

CHANGES TO THE OPERATION AND MANAGEMENT OF THE INSTITUTE OF BIOMEDICAL ENGINEERING (IBME)

Professor C Ross ETHIER, Head of the Department of Bioengineering, will direct the operational management of IBME, represent IBME on the Faculty of Engineering Management Committee and chair the IBME Strategy Committee, with effect from 1 August 2010.

Professor Chris TOUMAZOU, founding Director of IBME, will continue his role of Chief Scientist of IBME and will direct the Winston Wong Centre for Bio-Inspired Technology, with effect from 1 August 2010.
PROFESSORS

Professor The Lord DARZI of Denham KBE, PC, FMedSci, HonFREng, currently the Paul Hamlyn Chair of Surgery, Department of Surgery and Cancer, has been appointed to the post of Chairman of the Institute for Global Health, with effect from 1 September 2010.

Dr Majid EZZATI, formerly Affiliate Associate Professor in the Department of Global Health and the Institute for Health Metrics and Evaluation at the University of Washington, has been appointed to the post of Chair in Global Environmental Health, School of Public Health, Faculty of Medicine, with effect from 1 November 2010.

Professor Guang-Zhong YANG, currently Chair in Medical Image Computing, Department of Computing and Institute of Biomedical Engineering, has been appointed to the post of Deputy Chairman of the Institute with effect from 1 September 2010.

Professor Ortwin HESS, formerly Professor (Chair) of Theoretical Condensed Matter and Optical Physics and Head of Theory and Advanced Computation (TAC) Group, at the Advanced Technology Institute and Department Physics at the University of Surrey, has been appointed to the post of Leverhulme Chair in Metamaterials, in the Department of Physics, Faculty of Natural Sciences, with effect from 1 January 2010.

Professor Peter KOHL, formerly Reader in Cardiac Physiology and Head of the Cardiac Mechano-Electric Feedback Laboratory at the University of Oxford, has been appointed to the post of Chair in Cardiac Biophysics and Systems Biology, in the National Heart and Lung Institute, Faculty of Medicine, with effect from 1 October 2010.

Professor Thomas PARISINI, currently Deputy Director for Business Relations and Danieli Endowed Chair of Automation Engineering at the University of Trieste, has been appointed to the part-time post of Chair in Industrial Control, Department of Electrical and Electronic Engineering, Faculty of Engineering, with effect from 1 November 2010 for a period of three years.

ASSOCIATE PROFESSOR

Dr Harjoat BHAMRA, currently Assistant Professor in the Sauder School of Business, University of British Columbia, has been appointed as Associate Professor in Finance, Imperial College Business School, with effect from 1 August 2011.

CONFERMENT OF TITLE – PROFESSORS

The title of Professor has been conferred on the following academic staff with effect from 1 October 2010.

<table>
<thead>
<tr>
<th>First Name</th>
<th>Surname</th>
<th>Title</th>
<th>Faculty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serafim</td>
<td>Kalliadasis</td>
<td>Professor in Engineering Science and Applied Mathematics</td>
<td>Engineering</td>
</tr>
<tr>
<td>Athanasios</td>
<td>Mantalaris</td>
<td>Professor in Biosystems Engineering</td>
<td>Engineering</td>
</tr>
<tr>
<td>Gary</td>
<td>Hunt</td>
<td>Professor of Fluid Mechanics</td>
<td>Engineering</td>
</tr>
<tr>
<td>Maja</td>
<td>Pantic</td>
<td>Professor of Affective and</td>
<td>Engineering</td>
</tr>
<tr>
<td>First Name</td>
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<td>Title</td>
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<tr>
<td>Sanjeev</td>
<td>Gupta</td>
<td>Professor of Earth Science</td>
<td>Engineering</td>
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<tr>
<td>Andrew</td>
<td>Olver</td>
<td>Professor of Tribology</td>
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<tr>
<td>Cook</td>
<td>Stuart</td>
<td>Professor of Clinical and Molecular Cardiology</td>
<td>Medicine</td>
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<tr>
<td>Azzopardi</td>
<td>Denis</td>
<td>Professor of Neonatal Medicine</td>
<td>Medicine</td>
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<tr>
<td>Justin</td>
<td>Stebbing</td>
<td>Professor of Cancer Medicine</td>
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<tr>
<td>Paul</td>
<td>Langford</td>
<td>Professor of Paediatric Infectious Diseases</td>
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<td>Julian</td>
<td>Walters</td>
<td>Professor of Gastroenterology</td>
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<td>Matthew</td>
<td>Pickering</td>
<td>Professor of Rheumatology</td>
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<tr>
<td>Roxy</td>
<td>Senior</td>
<td>Professor of Clinical Cardiology</td>
<td>Medicine</td>
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<tr>
<td>Raad</td>
<td>Mohiaddin</td>
<td>Professor of Cardiovascular Imaging</td>
<td>Medicine</td>
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<tr>
<td>Mary</td>
<td>Morrell</td>
<td>Professor of Sleep and Respiratory Physiology</td>
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<tr>
<td>Sara</td>
<td>Rankin</td>
<td>Professor of Leukocyte and Stem Cell Biology</td>
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<tr>
<td>Johnathan</td>
<td>Mestel</td>
<td>Professor of Applied Mathematics</td>
<td>Natural Sciences</td>
</tr>
<tr>
<td>Michael</td>
<td>Ruzhansky</td>
<td>Professor of Pure Mathematics</td>
<td>Natural Sciences</td>
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<tr>
<td>Gavin</td>
<td>Davies</td>
<td>Professor of High Energy Physics</td>
<td>Natural Sciences</td>
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<tr>
<td>Timothy Simon</td>
<td>Horbury</td>
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<tr>
<td>Daniel Martin</td>
<td>Segal</td>
<td>Professor of Quantum Optics</td>
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<td>Gilles</td>
<td>Chemla</td>
<td>Professor of Finance</td>
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<tr>
<td>Walter</td>
<td>Distaso</td>
<td>Professor of Financial Econometrics</td>
<td>Business School</td>
</tr>
<tr>
<td>Ammon</td>
<td>Salter</td>
<td>Professor of Technology and Innovation Management</td>
<td>Business School</td>
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<tr>
<td>Paolo</td>
<td>Zaffaroni</td>
<td>Professor of Financial Econometrics</td>
<td>Business School</td>
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**CONFERMENT OF TITLE – READERS**

The title of Reader has been conferred on the following academic staff with effect from 1 October 2010.

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<th>First Name</th>
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<tbody>
<tr>
<td>Emmanuel</td>
<td>Drakakis</td>
<td>Reader in Bio Circuits and Systems</td>
<td>Engineering</td>
</tr>
<tr>
<td>Leroy</td>
<td>Gardner</td>
<td>Reader in Structural Engineering</td>
<td>Engineering</td>
</tr>
<tr>
<td>Neil</td>
<td>McIntyre</td>
<td>Reader in Surface Water</td>
<td>Engineering</td>
</tr>
<tr>
<td>First Name</td>
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<td>Title</td>
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</tr>
<tr>
<td>Simon</td>
<td>Colton</td>
<td>Reader in Computational Creativity</td>
<td>Engineering</td>
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<tr>
<td>Naranker</td>
<td>Dulay</td>
<td>Reader in Computing Science</td>
<td>Engineering</td>
</tr>
<tr>
<td>Alessandra</td>
<td>Russo</td>
<td>Reader in Applied Computational Logic</td>
<td>Engineering</td>
</tr>
<tr>
<td>Ann Helen</td>
<td>Muggeridge</td>
<td>Reader in Reservoir Physics</td>
<td>Engineering</td>
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<tr>
<td>Stephen</td>
<td>Neethling</td>
<td>Reader in Minerals Processing</td>
<td>Engineering</td>
</tr>
<tr>
<td>Pier Luigi</td>
<td>Dragotti</td>
<td>Reader in Signal Processing</td>
<td>Engineering</td>
</tr>
<tr>
<td>David</td>
<td>McPhail</td>
<td>Reader in Surface Analysis</td>
<td>Engineering</td>
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<tr>
<td>Maria</td>
<td>Charalambides</td>
<td>Reader in Mechanics of Materials</td>
<td>Engineering</td>
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<tr>
<td>Adrian</td>
<td>Lim</td>
<td>Reader in Radiology</td>
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<tr>
<td>Nadey</td>
<td>Hakim</td>
<td>Reader in Transplant Patient Surgery</td>
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<tr>
<td>Claudia</td>
<td>Monaco</td>
<td>Reader in Cytokine Biology of Atherosclerosis</td>
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<td>Richard</td>
<td>Owens</td>
<td>Reader in Experimental Rheumatology</td>
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<tr>
<td>John</td>
<td>Bassett</td>
<td>Reader in Endocrinology</td>
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<tr>
<td>Jeremy</td>
<td>Levy</td>
<td>Reader in Renal Medicine and Medical Education</td>
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<tr>
<td>Paul</td>
<td>Evans</td>
<td>Reader in Endothelial Physiology</td>
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<tr>
<td>Simon</td>
<td>Padley</td>
<td>Reader in Diagnostic Radiology</td>
<td>Medicine</td>
</tr>
<tr>
<td>Anna</td>
<td>Randi</td>
<td>Reader in Cardiovascular Medicine</td>
<td>Medicine</td>
</tr>
<tr>
<td>Mary</td>
<td>Sheppard</td>
<td>Reader in Cardiovascular Pathology</td>
<td>Medicine</td>
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<tr>
<td>Alexandra</td>
<td>Blakemore</td>
<td>Reader in Human Molecular Genetics</td>
<td>Medicine</td>
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<tr>
<td>Matthew</td>
<td>Fisher</td>
<td>Reader in Fungal Disease Epidemiology</td>
<td>Medicine</td>
</tr>
<tr>
<td>John</td>
<td>Chambers</td>
<td>Reader in Cardiovascular Epidemiology</td>
<td>Medicine</td>
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<tr>
<td>Mahendra P</td>
<td>Deonarain</td>
<td>Reader in Antibody Therapeutics or Molecular Immunology</td>
<td>Natural Sciences</td>
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<tr>
<td>Charlotte</td>
<td>Williams</td>
<td>Reader in Catalysis &amp; Polymer Chemistry</td>
<td>Natural Sciences</td>
</tr>
<tr>
<td>Dimitry</td>
<td>Turaev</td>
<td>Reader in Applied Mathematics</td>
<td>Natural Sciences</td>
</tr>
<tr>
<td>Thomas</td>
<td>Sorensen</td>
<td>Reader in Pure Mathematics</td>
<td>Natural Sciences</td>
</tr>
</tbody>
</table>
VISITING PROFESSORS

Professor Rajendra Jagmohan (Raj) BHANSALI, formerly Professor of Statistics at Xian Jiatong-Liverpool University, has accepted an association with the College as Visiting Professor in the Department of Mathematics, Faculty of Natural Sciences, with effect from 1 September 2010 for a period of two years.

Professor Matteo CARANDINI, currently Fight for Sight Professor of Visual Neuroscience at University College London, has been offered an association with the College as Visiting Professor in the Department of Bioengineering, Faculty of Engineering, with effect from 15 September 2010 for a period of three years.

Professor Ciaran DRIVER, formerly Professor of Economics, Imperial College Business School, has accepted an association with the College as Visiting Professor in Imperial College Business School, with effect from 1 September 2010 for a period of three years.

Dr Wojciech FUNDAMERSKI, has been offered an association with the College as Visiting Researcher in the Department of Physics, Faculty of Natural Sciences, with effect from 1 October 2010.

Professor Sandro GALEA, formerly Professor of Epidemiology at Columbia University Mailman School of Public Health, has been offered an association with the College as Visiting Researcher in the School of Public Health, Faculty of Medicine, with effect from 19 October 2010 for a period of three days.

Mr Oliver GOSSELIN, formerly Senior Reservoir Engineer at TOTAL S.A, 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 September 2010 for a period of three years.

Dr Etienne JACOTOT, formerly a Research Fellow at Imperial College London, has accepted an association with the College as Visiting Professor in the Department of Surgery and Cancer, Faculty of Medicine, with effect from 1 September for a period of one year.

Dr Gareth JONES, currently Director at the Product Works Design Consultancy, has accepted an association with the College as Visiting Professor in the Department of Mechanical Engineering, Faculty of Engineering, with effect from 1 October 2010 for a period of three years.

Dr Hamid Reza KARIMI, currently Technical Director at the Office of Communications (Ofcom), has accepted an association with the College as Visiting Professor in the Department of Electrical and Electronic Engineering, Faculty of Engineering, with effect from 1 September for a period of one year.
Professor Michael William REEKS, formerly Professor of Multiphase Flows at the University of Newcastle, has accepted an association with the College as Visiting Professor in the Department of Aeronautics, Faculty of Engineering, with effect from 1 October 2010 for a period of three years.

Dr Dimitrios TZOVARAS, currently Research Director at the Centre for Research and Technology, Hellas, Informatics and Telematics Institute (CERTH/ITI), has accepted an association with the College as Visiting Professor in the Department of Electrical and Electronic Engineering, Faculty of Engineering, with effect from 1 September 2010 for a period of one year.

**RETIREMENTS**

Professor Charmian Elisabeth Jeanette BRINSON, Head of Languages, Department of Humanities, retired on 30 September 2010. Following retirement, she will continue in the same role on a part-time basis with effect from 11 October 2010.

Professor Andrew Wyndham EVANS, Lloyd’s Register Chair in Transport Risk Management, Department of Civil and Environmental Engineering, Faculty of Engineering, retired on 30 September 2010. Following retirement an Emeritus title has been conferred.

Professor Michael John JEGER, Professor in the Department of Physics, Faculty of Natural Sciences, retired on 30 September 2010. Following retirement, he will continue his association with the College as Senior Research Investigator for a period of three years.

Professor Martyn Richard PARTRIDGE, Chair in Respiratory Medicine, National Heart and Lung Institute, Faculty of Medicine, retired on 30 September 2010. Following retirement, he will continue his association with the College as Deputy Director of Education in the Faculty of Medicine. He has also joined the Nanyang Medical School in Singapore as Senior Vice Dean.

Professor Colin Graham THIRTLE, Professor of Agricultural Economics in the Centre for Environmental Policy, Faculty of Natural Sciences, retired with effect from 30 September 2010. Following retirement, an Emeritus title has been conferred and he will continue his association with the College as a Senior Research Investigator for a period of two years.

Professor John Oliver WARNER FMedSci, Chair in Paediatrics and Head of Department of Paediatrics, Department of Medicine, Faculty of Medicine, retired with effect from 30 September 2010.

Dr Roger John WATSON, Reader, Department of Medicine, Faculty of Medicine, retired with effect from 31 October 2010.

Professor Howard Simon WHEATER FREng, Professor of Hydrology, Department of Civil and Environmental Engineering, Faculty of Engineering, retired on 30 September 2010. Following retirement, an Emeritus title has been conferred and he will continue his association with the College as Distinguished Research Fellow for a period of three years.

Professor Timothy John WILLIAMS FMedSci, Head of Section and Campus Dean, National Heart and Lung Institute, Faculty of Medicine, retired on 30 September 2010. Following retirement, an Emeritus title has been conferred and he will continue his association with the College as a Senior Research Investigator for a period of two years.
RESIGNATIONS

Professor Russell Paul COWBURN, Chair in Nanotechnology, Department of Physics, Faculty of Natural Sciences, resigned with effect from 30 September 2010, to take up an appointment as Chair of Physics at the University of Cambridge.

Professor Kenneth (Ken) Haynes, Professor of Fungal Biology, Department of Medicine, Faculty of Medicine, resigned with effect from 5 September 2010.

Professor Lord Peter Karel PIOT MD, PhD, FRCP, Director, Institute for Global Health and Professor, Institute of Global Health, Faculty of Medicine, resigned with effect from 26 September 2010, to take up an appointment as Director at the London School of Hygiene and Tropical Medicine.

Professor Timothy James (Tim) VYSE, Professor of Rheumatology, Department of Medicine, Faculty of Medicine, resigned with effect from 29 October 2010.
PAPER E

ANNUAL REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2010

A Note by the Chief Operating Officer

1. A copy of the College’s Annual Report and Accounts (the Financial Statements) for the year ended 31 July 2010 is enclosed with these Papers. (1)

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

3. The Council is invited to consider and, if it sees fit, approve the Financial Statements for the year ended 31 July 2010.

MPK

1. The Annual Report and Financial Statements are published separately and are therefore not included with these Minutes.
PAPER F

EXTERNAL AUDITORS' REPRESENTATION LETTER

A Note by the Chief Operating Officer

1. As part of the audit of the College’s annual accounts, the Council is required to provide the External Auditors, PricewaterhouseCoopers, with a Representation Letter, which acknowledges the Council’s responsibilities under the Financial Memorandum with the Higher Education Funding Council, and sets out a series of representations concerning the documentation and information on which the Annual Report and Accounts are based.

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

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

M.P.K.
This representation letter is provided in connection with your audit of the financial statements of Imperial College London for the year ended 31 July 2010. The College is responsible for preparing consolidated financial statements in respect of itself and its subsidiary undertakings (together ‘the group’).

Your audit is conducted for the purpose of expressing an opinion as to whether the financial statements of the College and the group give a true and fair view of the state of affairs of the College and group as at 31 July 2010 and of the surplus and cash flows of the group for the year then ended, have been properly prepared in accordance with the Statement of Recommended Practice (SORP) on Accounting for Further and Higher Education 2007, United Kingdom Generally Accepted Accounting Practice (UK GAAP), taking account, where relevant and appropriate, all required statutory and other disclosure requirements.

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

We also acknowledge our other responsibilities under the Financial Memorandum with the Funding Council, including, in particular, our responsibilities to conduct the business of the College in accordance with the 1992 Further and Higher Education Act, the conditions set out in the Financial Memorandum and any other conditions that the Funding Council may from time to time prescribe. We confirm that the following representations are made on the basis of enquiries of management and staff of the College and the group with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the following representations to you.

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

Accounting records

All the accounting records, whether for the purposes of financial reporting or any other purpose, have been made available to you for the purpose of your audit and all the transactions undertaken by the College and the group have been properly reflected and recorded in the accounting records.
All other records and related information which might affect the truth and fairness of, or necessary disclosure in, the financial statements, including minutes of the Council and relevant management meetings, have been made available to you and no such information has been withheld. So far as the Council is aware, there is no relevant audit information of which you are unaware.

**Accounting policies**

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

**Funding council grants**

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

**Related parties**

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

**Employee benefits**

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

**Retirement benefits**

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

**Contractual arrangements/agreements**

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

**Regularity**

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

**Application of funds**

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

**Laws and regulations**

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

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

**Fraud**

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

(i) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;

(ii) our knowledge of fraud or suspected fraud affecting the College and group involving:
    - management
    - employees who have significant roles in internal control, or
    - others where the fraud could have a material effect on the financial statements;

(iii) our knowledge of any allegations of fraud, or suspected fraud, affecting the College's and group's financial statements communicated by employees, former employees, analysts, regulators or others.

**Misstatements detected during the audit**

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

We confirm that the financial statements are free from material misstatement, including omissions.

**Taxation**

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

In particular:

- In connection with any tax accounting requirements, we are satisfied that our systems are capable of identifying all material tax liabilities and transactions subject to tax and have maintained all documents and records required to be kept by the relevant tax authorities in accordance with the law of each country or in accordance with any agreement reached with such authorities.
- We have submitted all returns and made all payments that were required to be made (within the relevant time limits) to the relevant tax authorities including any return requiring us to
disclose any tax planning transactions that have been undertaken, whether for the College's or the group's benefit or any other party's benefit.

- We are not aware of any taxation, penalties or interest that are yet to be assessed relating to either the College or the group or any associated entity for whose taxation liabilities the College may be responsible.
- In managing the tax affairs of the College and the group, we have taken into account any special provisions such as transfer pricing and controlled foreign companies legislation applied in different tax jurisdictions.

Remuneration disclosure

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

- the number of staff paid more than £100,000 per annum; and
- emoluments received by the Rector.

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

Assets and liabilities

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

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

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

We confirm that we have carried out impairment reviews appropriately, including an assessment of when such reviews are required, where they are not mandatory. We confirm that we have used the appropriate assumptions with those reviews.

Litigation

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

Provisions

Full provision has been made for all liabilities at the balance sheet date including guarantees, commitments and contingencies where the items are expected to result in significant loss.

Management estimates

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

We have reviewed the calculation of the restructuring provision and are satisfied that it is a reasonable estimate based on past experience and that it represents our best estimate of the likely cash outflow required to complete the restructuring.
We have reviewed the calculation of the decommissioning provision for the reactor centre and are satisfied that it is recorded at the full cost anticipated to be incurred by the College discounted to today’s prices.

**Consolidation**

We have reviewed the accounting treatments for the Woodlands and Winstanley Road developments and are satisfied that the investments have been accounted for correctly in accordance with applicable accounting standards.

The consolidated financial statements reflect draft, rather than audited figures for Natural Resources International Limited (an associate) and Bio Nano Centre Ltd (a joint venture). This is because the audit of these entities had not been completed as at the date of signing the consolidated accounts. Similarly the financial information included for GMEC Management Company Limited (the College’s other associate) is based on management account information as the company has a different year end date. On this basis, we confirm that these draft figures are materially representative of both the associates’ and joint venture’s financial position and performance in the year to 31 July 2010. Furthermore, we confirm that there are no material contingent liabilities relating to these entities that should be disclosed in the consolidated accounts.

**Subsequent events**

There have been no circumstances or events subsequent to the period end which require adjustment of or disclosure in the financial statements or in the notes thereto.

As minuted by the Council at its meeting on [date]

………………………………………...…………………………………………………..
(Chair) (Rector)

For and on behalf of Imperial College London

Date …………………
INTRODUCTION

1. This Report covers the Audit Committee’s work for the financial year 2009-10 and is set out in the format recommended by the Higher Education Funding Council for England (HEFCE) in its Audit Code of Practice.

TERMS OF REFERENCE AND MEMBERSHIP

2. The Committee’s terms of reference and membership are attached at Annex A. The terms of reference were amended in November 2010 to take account of the latest guidance from HEFCE and as a result of the governance review undertaken by the Council during 2009-10.

3. Although a number changes were made to the membership, the Committee had a full complement of members for the entire financial year. The terms of office of two members, Sir Peter Gershon and Ms Carolyn Griffith expired in September 2010. At its meeting on 24 September 2010, the Council resolved to appoint Mr Stewart Newton and Mr Jeremy Newsum to the Audit Committee in succession to Sir Peter Gershon and Ms Carolyn Griffiths. Mr Newton’s and Mr Newsum’s first meeting as members of the Committee was in November 2010.

4. In addition to the external members of the Committee, meetings are attended by the Rector, Chief Operating Officer, College Secretary, Director of Finance and representatives from the external and internal auditors. The Directors of HR and Risk Management and the Safety Director also attended the meetings of the Committee at which health and safety matters are discussed.

MEETINGS OF THE AUDIT COMMITTEE IN 2010

5. Since its last Report to the Council, the Audit Committee has held meetings on 9 March, 24 June and 10 November 2010. Attendance at these meetings was reasonable with average attendance at 67% for the year.

INTERNAL AUDIT

6. During the financial year 2009-10 Internal Audit services were provided Deloitte & Touche, who were appointed following a competitive tendering exercise in 2007. Their appointment runs for a period of five years from 1 August 2007 and will therefore be subject to another competitive tender exercise in 2012.

7. The Internal Audit Strategy for 2009-10 was approved by the Audit Committee at its meeting 10 June 2009 and included a full programme of 41 audits. Of those completed, 31 were systems audits for which an assurance opinion has been provided and four were non-
systems based. Six of the planned audits have either been postponed or deferred to 2010-11 with the released days being allocated to other specific audit areas or to contingency. Of the 31 systems audits completed, 28 provided ‘substantial’ assurance (that is, “the controls in place adequately address all significant risks identified and all key controls tested are operating effectively”) and two full ‘assurance’ (the controls in place adequately address all risks identified and all controls tested are operating effectively). One audit provided only limited assurance (The controls in place do not adequately address one or more significant risks identified and/or one or more key controls tested are not operating effectively). Six audit reports remain at a draft stage at the time of this report, and discussions are in progress with management to finalise the reports in due course. However, based on the conclusion of work at the draft stage, Internal Audit has confirmed that these reports, once completed, will not have an impact on the overall opinion.

8. A copy of each internal audit report is passed to the College Secretary for information and discussion, as appropriate, at monthly management meetings. A further copy is issued to the Director of Finance so that he is aware of any control issues and/or recommendations impacting upon the central finance function. The Audit Committee also receives regular updates on completed internal audit reports, including a summary of specific issues arising from the audits. Recommendations are categorised as priority one, two or three. Only one priority one recommendation was made during the year (these are "major issues for the attention of senior management and the audit committee). This related to procurement and purchasing policies and procedures in the Students’ Union. The recommendation has been largely accepted by the Union and a review is being conducted of financial controls within the Union, including the procurement sign off procedure.

9. At its meeting on 24June 2010, the Audit Committee considered the Internal Audit Strategy for 2010-11. The Committee suggested that the Strategy should also be considered and endorsed by the College’s Management Board. The Strategy was therefore presented to the Management Board in September 2010 when a small number of amendments were proposed. The revised Strategy for 2010-11 was approved by the Audit Committee in November 2010. It includes 29 audits covering the whole College. The Plan includes number of days set aside for pro-active fraud work.

10. The Audit Committee is satisfied with the level of management engagement with internal audit; management responses to recommendations have been appropriate and timely and follow up work conducted by the auditors shows that, in the majority of cases, these recommendations have been fully implemented. Overall, substantial and/or full assurance was achieved for 96% of the systems audited. The Committee believes that this represents a very strong performance by the College.

11. The HEFCE Audit Code requires the Internal Auditors to provide the governing body, the accountable officer and the other managers of the College with assurance on the adequacy and effectiveness of risk management, control and governance arrangements.

12. **Opinion.** The Internal Auditors’ opinion is based on the audits completed and the follow up work undertaken, covering the period 1 January 2010 to 31 July 2010, as approved by the Audit Committee and limited to the audit scopes. On this basis, the Internal Auditors have confirmed that they are able to provide "reasonable assurance that the University has an adequate and effective system of internal controls for the year ended 31 July 2010. The control issues identified during [their] work do not materially impact upon the opinion to be provided in respect of the adequacy and effectiveness for the University’s arrangements for corporate governance, risk management, internal control and value for money."
EXTERNAL AUDIT

13. External audit services are provided by PricewaterhouseCoopers (PwC), who had been re-appointed as the College’s External Auditors for a period of five years from 1 August 2004 following a tendering process conducted by the College. Although this five year period was due to expire last year, the Audit Committee decided in 2008-09 to extend PwC’s appointment for a further two years. A full tender exercise will be conducted in 2011.

14. The Committee has previously approved a policy on the provision and pre-approval of all non-audit services by the external auditors. The policy is intended to ensure that any non-audit services provided by the external auditor do not impair, or appear to impair, the auditor’s independence or objectivity. In accordance with this policy, the external auditors will carry out their statutory audit duties, may carry out other work as auditors or reporting accountants and may also provide tax advisory services. There may also be other occasions when the external auditor is best placed to undertake other accounting, investigatory, advisory and consultancy work on behalf of the College, because of the auditor’s in-depth knowledge of the College or other specialist skills or knowledge, although several areas of work are specifically prohibited by the policy. The provision of non-audit services by the external auditor must be pre-approved and reported to the Audit Committee at its next scheduled meeting. The external auditor will also include in its annual report to the Audit Committee a report on all non-audit services provided during the year, including a note of fees paid. The extent of any non-audit work conducted by the external auditor must also be disclosed in the College’s annual financial statements.

15. The following table provides details of all additional non-audit work undertaken by the external auditors during the year 2009-10. The external auditors have confirmed their view that they are not aware of any relationship or non-audit services that would impair the independence for the purposes of expressing an opinion on the financial statements. In their professional judgement, they are independent accounts with respect to the College, its subsidiaries and associates and the objectivity of the audit engagement leader is not impaired. The Audit Committee concurs with this view on the independence of the auditors.

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<th>ENTITY</th>
<th>Description of non audit work</th>
<th>Fees</th>
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<tr>
<td>Imperial College</td>
<td>Audit of the proposed accounting for the Woodlands Development</td>
<td>£12,000</td>
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<tr>
<td>Imperial College</td>
<td>Audit of the proposed accounting for the Winstanley Road SPV</td>
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<td>Imperial College</td>
<td>US Department of Education loans work</td>
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<td>Imperial College</td>
<td>Technical seminars/ PwC Inform subscription</td>
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<td>Imperial Innovations Group plc</td>
<td>Audit related services including agreed upon procedures relating to Inforsense 2009/10 revenue</td>
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<tr>
<td>Imperial College (S) Pte Ltd</td>
<td>Tax compliance and liquidation work</td>
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</table>
At its meeting in June 2009 the Committee considered the External Audit Strategy for the preparation of the Financial Statements for the year ended 31 July 2010. The Committee noted that the Auditors would be concentrating on a number of risks including:

a. The current economic environment.
b. Imperial Innovations Plc share options.
c. Pensions.
d. The College Fund.
e. Capital projects.
f. Areas of development.
g. Reactor decommissioning.

The Audit Committee meets with the External Auditors in private (i.e. with no College Officers present) at its November meeting following the completion of the external audit. Accordingly, the Committee held a private meeting with the external auditors on 10 November to discuss the conduct of the external audit and any other matters that the Committee or the auditors wished to raise.

Opinion. The formal opinion of the Auditors is given in the Financial Statements for the Year Ended 31 July 2010 and in the External Auditors’ Report to the Audit Committee, but they have confirmed their intention to issue an unqualified audit opinion on the College’s Financial Statements. The external auditors have also confirmed that there were no unadjusted misstatements in the accounts which needed to be brought to the attention of the Audit Committee or the Council. Finally, on corporate governance, the external auditors have confirmed that that there is nothing in the College’s corporate governance statement in the Annual Report and Financial Statements “which contradicts [their] understanding of the College’s risk management processes. During the year internal audit undertook a full review of the College’s risk management processes and have confirmed management’s view that the College was fully compliant with the HEFCE requirements in 2010/11”.

CORPORATE GOVERNANCE

In January 2010 the Council established a Governance Review Group to conduct a review of the College’s governance arrangements. The group’s recommendations took into account best practice at other leading universities, as well as the views of stakeholders and of those knowledgeable in governance matters. The review confirmed that the Council should remain a supervisory, not an executive, body at its current size and composition, but recommended that the delegation of authority from the Council to the Rector should explicitly include reference to the Management Board as the senior executive body advising the Rector. Other recommended changes included splitting the Remuneration and Nominations Committee into its constituent parts, reconstituting the Development Board as a Council Committee and forming a new Risk Committee to take responsibility for the oversight of how risks of all kinds are managed. It was also proposed that the Court be reformed to form a stakeholder forum for the College. These recommendations were accepted by the Council and will be implemented in 2010-11.

In addition to reviewing the College's strategic risks, the new Risk Committee will also take responsibility for reviewing the College’s management of its health and safety risks.
and the operation of the College Health and Safety Management System. This responsibility had previously been delegated to the Audit Committee. As noted above, the Audit Committee’s terms of reference have now been amended to take account of the creation of the new Risk Committee and to ensure that there is no overlap in responsibilities between the two committees.

21. In June 2010 the HEFCE Audit Service conducted an Assurance Review of the College, with the intention of examining how Imperial exercised accountability for the public funding it receives. In conducting the review, the HEFCE Auditor met with the Chairman of Council, the Rector and the Chairman of the Audit Committee, in addition to several members of the College’s senior staff. The overall conclusion of the review was that HEFCE was “able to place reliance on the accountability information”. Only one recommendation for improvement was made – that “the TRAC return should be reviewed by a committee of Council prior to its submission to HEFCE”. The report also included some comments on the operation of the Audit Committee, including a note that its terms of reference should be updated to reflect HEFCE’s reporting requirements. The revisions to the terms of reference approved by the Committee in November 2010 took account of this suggestion.

22. **Opinion.** The College’s corporate governance arrangements have been considered by both the Internal and External Auditors and have also been subject to an in-depth review by the Council. The College’s arrangements for approving its accountability returns have also been audited by the HEFCE Audit Service. Each of the audits and reviews has concluded that the College’s arrangements for corporate governance are satisfactory and compliant with the HEFCE requirements in 2010/11. In the light of these reviews, the Audit Committee is able to provide the Council with a reasonable assurance on the adequacy and effectiveness of the College’s arrangements for corporate governance.

### VALUE FOR MONEY (VfM)

23. The Committee has previously agreed that the responsibility for considering VfM initiatives lies with the College’s Management Board and that it will base its opinion on VfM on the annual report considered by the Management Board and subsequently presented to the Audit Committee.

24. The Annual Report on VfM initiatives was presented to, and endorsed by, the Management Board in October 2010. The Report was then considered by the Audit Committee at its Meeting in November.

25. The Management Board is assisted by the VfM Steering Group. The Steering Group has responsibility to direct and monitor Imperial’s VfM programme so that it aligns with its strategic themes and objectives. In this context the VfM Steering Group helps to promote a culture of efficiency, effectiveness, and economy so that the College can compete successfully at an international level, earning respect and influence nationally and internationally. In line with HEFCE guidance, in preparing its report the VfM Steering Group draws on various sources of evidence and information, including quantitative, qualitative and subjective evidence to assess the VfM performance for the year. Its assessment is a composite of both numerical data and qualitative judgements including an evaluation of trends and comparisons with peers. All of the VfM activities and performance data are linked as far as possible to the College five year strategic plan and the most appropriate strategic themes and objectives, being Research, Education, Translation, Resources and Organisation. VfM performance in each area is assessed using the traffic light system. This year all areas were assessed as Green (Good; on track, low risk) or Amber-Green (Satisfactory; broadly on track with some concerns which need to be addressed).
26. **Opinion.** In the light of this Report and the review of VfM arrangements conducted by Internal Audit, the Committee can confirm that appropriate management systems are in place for the evaluation and monitoring of the College’s VfM strategy.

**RISK MANAGEMENT**

27. Since 2003 the HEFCE has required higher education institutions to comply with the Turnbull and Combined Code Recommendations on Corporate Governance. This means that, when the governing body of a higher education institution approves that organisation’s annual accounts each year, it should state whether or not it is satisfied that all material risks facing the institution have been identified. To meet this requirement the College’s Risk Management Policy stipulates that the Management Board will carry out an annual review of the College’s Risk Register and Action Plan. The Management Board’s recommendations are then to be passed to the Audit Committee for consideration so that the Committee can, in turn, make its report to the Council. The Management Board conducted its review of the College’s Risk Register in October 2010 when a revised Risk Register and Action Plan was approved.

28. In 2009-10 Internal Audit conducted a review of Risk Management and Business Continuity Planning. The review classified the assurance obtained as ‘substantial’, with four priority 2 recommendations being made. All the recommendations were agreed with management and timely deadlines for implementation have been established.

29. Last year’s Risk Management Report noted that the utility of the risk management process would be greatly improved by the introduction of a software tool to facilitate the compilation and interrogation of risk registers. After consideration of a broad spectrum of off the shelf risk management tools it was decided that none met the unique requirements of Imperial College and the College decided instead to develop an in house tool. This application, named EMPIRICAL, is now being rolled out across the College; a process that is expected to be complete by December 2010.

30. **Opinion.** In the light of the Management Board’s Review of Risk Management and the Internal Audit Report, the Committee is satisfied that:

   a. The College’s policy and processes for risk management remain valid.

   b. Appropriate measures are in hand to improve compliance with those processes.

   c. The College’s risks have been appropriately identified and managed and the College is operating in accordance with the Turnbull and Combined Code recommendations, and is in compliance with the HEFCE’s current Accounts Direction.

**DATA QUALITY**

31. In August 2008 HEFCE introduced a new requirement that audit committees provide an opinion on the management and quality assurance of data submitted to HESA and to HEFCE and other funding bodies. This was initially introduced on a trial basis, but the most recent revisions to the Financial Memorandum have regularised this position. It should be noted that audit committees are not required to verify the data returned to the funding bodies; that is the responsibility of management. The Committee is instead required to give
an opinion on the management and quality assurance of that data. This opinion can be in the form of an Assurance Framework, elements of which can be provided by Internal Audit.

32. In 2007, the Audit Commission issued ‘Improving information to support decision making: standards for better quality data’. The HEFCE guidance for Audit Committees on data management and quality, issued in 2008, refers to this document and suggests that the standards could be used to gather information for the Audit Committee, to help inform its opinion on the management and quality of data. In this context, ‘data’ is defined as ‘any data submitted to funding bodies’. The Audit Commission document notes that ‘The Audit Commission developed the Standards for Better Data Quality for use by public bodies to support improvement in data quality. The standards define a framework of management arrangements that bodies can put in place to secure the quality of the data they use to manage and report on their activities. The standards distil the principles and practices identified in existing guidance, advice and good practice.

33. Within Imperial College, there are a number of key data categories which are submitted to funding bodies, relating to students, staff, finance and research. The College has produced a Data Quality Policy, approved by the Management Board, and has established a Data Quality and Management Group, which is chaired by the College Secretary. The Group exists to share best practice and assess College’s progress against its data quality objectives. Each year the Group completes a self-assessment exercise in order to evaluate College practice using the Audit Commission document on Standards for Better Quality Data. This aims to gather information on data management and quality from across the College. The Group includes representatives from finance, TRAC, HR, research, planning and registry. The report generated by the self-assessment demonstrates the approach to data quality and management across the College, and provides a benchmark against which the College will measure its performance in future.

34. The 2009-10 Internal Audit programme included a number of audits which included aspects of data quality management. The review of price group allocation within the HESES and RAS funding returns resulted in a finding of ‘full assurance’ in the controls in place, with one Priority Three recommendation made relating to documentation. Other reviews included General Ledger and Management Information, Student Records and Student Recruitment. The findings in each of these were that ‘substantial assurance’ could be had in the systems and processes in place. As has already been noted the HEFCE Assurance Service visited the College in 2010 to undertake a HEFCE assurance review. Only one recommendation for improvement was made, that the College’s TRAC return should be reviewed by Audit Committee before submission. This will be on considered by the Audit Committee in February 2011.

35. Other recent external reviews of data quality included a detailed HEFCE audit of the HESES funding return in 2008; a HEFCE audit of the College’s annual Research Activity Survey (RAS) for 2006, which was completed in 2008; and a Quality Assurance and Validation of TRAC (QAV) Audit conducted by KPMG in May 2008. The College will also be subject to a review under the RCUK Assurance Programme in early 2011. This new programme is the result of merging two, currently separate, assurance processes: QAV and the Funding Assurance Programme (FAP) into a single Research Council Assurance programme.

36. **Opinion.** Based upon the results of these internal and external assessments of data management and quality and the framework of arrangements in place to secure data quality across the College, the Audit Committee is satisfied that systems are in place to provide reasonable assurance as to quality and accuracy of the data submitted to HESA and to HEFCE and other funding bodies.
HEALTH AND SAFETY

37. Following the Council’s review of governance in 2004, it was agreed that the Audit Committee should monitor the College’s arrangements for managing health and safety in the overall context of risk management and thereby provide the Council with an assurance that the College was not only fulfilling its legal obligations but was also targeting cost-effective, continuous improvement in health and safety. As a result of the College’s recent governance review, this responsibility has been transferred to the newly created Risk Committee. This will therefore be the last time that the Committee reports on health and safety to the Council.

38. In 2006 the College commissioned Health and Safety Technology and Management Limited (HASTAM) to review the College’s health and safety management arrangements to ascertain whether or not the College’s health and safety systems were fit for purpose, were in line with best practice and were being followed. HASTAM’s Report confirmed that, overall, the College’s technical and procedural arrangements were satisfactory and recognised that Imperial’s approach had put a particular emphasis on controlling specific high hazard risks where specialist advice was required. However, the Report identified a number of areas where improvement was necessary and, in particular, it recommended that the College develop a Safety Management System based on the Health and Safety Executive publication Successful Health and Safety Management (HSG65).

39. Further external reviews of health and safety management were conducted in 2007 (by HASTAM) and 2008 (by Connaught Compliance Training Services). These reviews concentrated in the College’s implementation of the new HSMS and progress against its action plan. In June 2010 the Committee agreed to commission another external review from HASTAM. In line with the new post-governance review reporting arrangements, the results of this review, which was completed in October 2010, will now be presented to the new Risk Committee for formal consideration. However, the main outcomes were reported to the Audit Committee in November 2010. HASTAM confirmed that significant improvements in health and safety management had been made since its first review in 2006; the College had largely met its original objectives and that its Health and Safety Management System was now compliant with the standards set down in the Health and Safety Executive publication Successful Health and Safety Management (HSG65). However, in the interim a new British standard for health and safety management systems has been established: BS OHSAS 18001, which is now the internationally recognized assessment specification for occupational health and safety management systems. HASTAM has recommended that the College should now consider moving to this more stringent standard.

FRAUD

40. It is generally recognised that there is an increased risk of fraud during an economic downturn. In order to ameliorate this risk, the internal auditors provided a programme of fraud awareness during the year and conducted a number of unannounced spot checks across the College. The possibility of such checks were publicised to ensure that staff were aware that the College would take action against fraud. During the year there were two main investigations. None of the cases investigated had to be reported to HEFCE. The investigations were for:

a. **Students’ Union**. Allegations were made regarding stock control issues and missing funds. The investigation identified a number of control weaknesses, but there was no clear evidence of fraudulent activity having occurred.
b. **Departmental Administration.** Allegations were made about overtime payments and purchases made by a former departmental administrator. In this case there was no evidence to support a criminal sanction being pursued and any disciplinary action would have to have been conducted retrospectively.

**CHARITY REGULATION**

41. On 1 June 2010 HEFCE became the principal regulator of those higher education institutions (HEIs) in England that are exempt charities, including the College. This new responsibility results from the Charities Act 2006, and stems from a government decision that all charities should be subject to regulation. Although expected to comply with charity law, exempt charities such as the College were previously outside the scope of the Charity Commission's regulatory powers. From 1 June 2010, the exempt charity regulation provisions of the 2006 Act came into effect for universities, and they are now subject to the Charity Commission’s powers. In the revised Financial Memorandum HEFCE has set out the additional reporting requirements necessary to meet its obligations as the Charity Regulator. These include the publication of information about the College's charitable status on its own website by 31 January 2011 and the inclusion of a public benefit statement in the College's annual accounts. In addition, since 1 June 2010, institutions have had a duty to report serious incidents to HEFCE at the time when they are identified. Institutions are also required to confirm in their annual assurance returns that any serious incidents have been appropriately reported to HEFCE. Serious incidents are defined as incidents which have resulted in, or could result in, a significant loss of funds or a significant risk to a charity's property, work, beneficiaries or reputation.

42. The Audit Committee is able to confirm that there have been no serious incidents at the College in the period since 1 June 2010 that would need to be reported to HEFCE as the Charity Regulator.

**OTHER WORK**

43. **Carbon Reduction Targets.** At its meeting in March 2010, the Committee received a report on the carbon reduction targets the College would have to meet and how the College intended to meet these challenging targets. The College's response will be centred on a Carbon Management Plan that was at that time being prepared by the Facilities Management Group. The Plan would contain a mixture of technical solutions designed to increase the efficiency of College operations and also reduce its carbon emissions. However, it was recognised that these measures would not be sufficient in themselves, and meeting the targets would also require a degree of cultural and behavioural change for College staff. As these targets could only be met with concerted action across the College, once the Carbon Management Plan was finalised there would be a major communications operation to ensure that staff were aware of the targets and how their own behaviour and expectations would have to be modified. Action would also be taken to improve the energy efficiency of the College's buildings, although this would be much easier with new buildings as energy efficiency could be built in at the design stage.

44. **Contingent Liabilities.** At its meeting in November 2009, the Committee asked that it be updated on a regular basis on the College's contingent liabilities. In accordance with this request, a report on contingent liabilities was provided for the Committee at its meetings in March and June 2010.
45. In the Committee’s terms of reference (attached at Annex A to this Report) the Council has given the Audit Committee the responsibility to report to the Council at least annually on its activity for the year and to give its opinion on the adequacy and effectiveness of the University’s risk management control and governance arrangements; its arrangements for promoting economy, efficiency and effectiveness; and the arrangements for the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), HEFC and other funding bodies.

46. Given the assurances contained in the reports made to the Audit Committee during the year by the Internal and External Auditors, and in the summaries of their annual reports to the Audit Committee contained in this Report, together with those received from the College’s management, the Audit Committee’s is able to provide the Council with a reasonable assurance on the adequacy and effectiveness of the College’s arrangements for risk management, control and governance and value for money. It is also able to provide a reasonable assurance that systems are in place to ensure the quality and accuracy of the data submitted to HESA and to HEFCE and other funding bodies.

Mrs Philippa Couttie
Chairman, Audit Committee
Annex A

AUDIT COMMITTEE

TERMS OF REFERENCE

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

2. To consider the Annual Financial Statements in the presence of the external auditors, including the auditors’ formal opinion, the statement of members’ responsibilities and the statement of internal control, in accordance with the funding council’s accounts direction.

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

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

5. To discuss with the external auditors, before the audit begins, the nature and scope of the audit.

6. To discuss with the external auditors problems and reservations arising from the interim and final audits, including a review of the management letter, incorporating management responses, and any other matters the external auditors may wish to discuss (in the absence of management where necessary).

7. To consider and advise the governing body on the appointment and terms of engagement of the internal audit service (and the head of internal audit if applicable), the audit fee, the provision of any non-audit services by the internal auditors, and any questions of resignation or dismissal of the internal auditors

8. To review the internal auditors’ audit needs assessment, strategy and programme; to consider major findings of internal audit investigations and management’s response; and promote co-ordination between the internal and external auditors. The Committee will ensure that the resources made available for internal audit are sufficient to meet the University’s needs.

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

10. To ensure that all significant losses have been properly investigated and that the internal and external auditors, and where appropriate the funding council’s accounting officer, have been informed

11. To oversee the University’s policy on fraud and irregularity, including being notified of any action taken under that policy
12. To receive any relevant reports from the National Audit Office, the HEFCE and other organisations.

13. To monitor annually the performance and effectiveness of external and internal auditors, including any matters affecting their objectivity.

14. To report to the Council at least annually on its activity for the year and to give its opinion on the adequacy and effectiveness of the University’s risk management control and governance arrangements; its arrangements for promoting economy, efficiency and effectiveness; and the arrangements for the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), HEFC and other funding bodies.

15. In the event of the merger or dissolution of the University, to ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.

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

CONSTITUTION

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

18. **Members**

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

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

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

19. **In Attendance**

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

20. **Secretary**
MEETINGS AND REPORTING

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

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

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

   b. Arrangements for promoting economy, efficiency and effectiveness (value for money).
   c. The arrangements for the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), HEFC and other funding bodies

24. This Report will be presented to the Council before the members’ responsibility statement in the Annual Financial Statements is signed.

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

QUORUM

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

PRESENT MEMBERSHIP:

Mrs. P. Couttie (Chairman)
Sir Peter Gershon (to 30 September 2010)
Ms. C. Griffiths (to 30 September 2010)
Ms. R. Lomax
Mr. S. Newsum (from 1 October 2010)
Mr. S. Newton (from 1 October 2010)
Ms. K. Kantor (co-opted)
1. The Higher Education Funding Council for England (HEFCE) requires that, when the governing body of a higher education institution approves that organisation’s Annual Financial Statements each year, it should state whether or not it is satisfied that all material risks facing the institution have been identified. To meet this requirement the College’s Risk Management Policy stipulates that the Management Board will carry out an annual review of the College’s Risk Register and Action Plan.

2. The College’s Risk Management Policy and procedures were fully reviewed in November 2008 and aligned with accepted UK best practice. The College Risk Register is compiled as a result of a multi stage process. First, Faculties, Departments and Divisions update their risk registers as part of the annual planning round. These are then scrutinised to identify any risks that should be added to the College’s main Risk Register. Next, the Minutes of the Management Board and the Council are reviewed to identify any significant new risks which have arisen during the year and to assess what action has been taken to mitigate them. Finally, the Corporate Risk Register is circulated to the College’s senior staff, who are asked to identify the mitigating actions they have taken in the past year and to amend the Register accordingly.

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

4. As a result of the recent Governance Review, the Council has agreed to establish a new Risk Committee and arrangements are now being made for that Committee’s first Meeting. The Risk Committee will, in future, be responsible for reviewing the College's strategic risks and for reviewing the full risk register. In the meantime, the Summary Risk Register is presented to the Council for information.
<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Owner</th>
<th>Score</th>
<th>4 Ts</th>
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<tbody>
<tr>
<td>1</td>
<td>Financial Environment</td>
<td>CFO</td>
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<tr>
<td>2</td>
<td>International Developments (Opportunity)</td>
<td>Pro Rector Commercial Affairs.</td>
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<td>Tolerate</td>
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<tr>
<td>3</td>
<td>AHSC</td>
<td>FP FoM/Rector</td>
<td>36</td>
<td>Tolerate</td>
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<td>4</td>
<td>Resource for Multiple Initiatives</td>
<td>COO</td>
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<td>Tolerate</td>
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<td>5</td>
<td>UKCMRI (Opportunity)</td>
<td>Rector</td>
<td>30</td>
<td>Tolerate</td>
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<td>6</td>
<td>Student recruitment &amp; retention</td>
<td>Pro Rector of Education</td>
<td>21</td>
<td>Treat</td>
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<tr>
<td>7</td>
<td>Staff recruitment and retention</td>
<td>Director of HR, FPs, HoDs</td>
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<td>Tolerate</td>
</tr>
<tr>
<td>8</td>
<td>Disruption to College Activity</td>
<td>FPs &amp; COO</td>
<td>21</td>
<td>Tolerate</td>
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<td>9</td>
<td>Health and Safety</td>
<td>College Secretary</td>
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<td>Tolerate</td>
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<tr>
<td></td>
<td></td>
<td>Director of H, S &amp; E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Influence of key stakeholders</td>
<td>Rector, FPs, HoDs</td>
<td>21</td>
<td>Tolerate</td>
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<tr>
<td>11</td>
<td>Reactor Centre</td>
<td>Director of Risk management</td>
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<td>12</td>
<td>Pension Provision</td>
<td>HR Director</td>
<td>14</td>
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<tr>
<td>13</td>
<td>Quality assurance of data</td>
<td>College Secretary</td>
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PAPER I

FINANCIAL MANAGEMENT REPORT

A Report by the Chief Operating Officer

MANAGEMENT ACCOUNTS TO 31/10/10 (1)

1. October sees the end of the first quarter of the financial year. The overall College financial position remains healthy. Total Income is 4% higher than last year, although it a little behind budget. However, with total expenditure £5.4m lower than budget and some 1% lower than the prior year, the overall operating I&E surplus is £20m which is some £6m better than budget. Whilst this favourable financial performance is mostly due to timing, Finance will continue to review on a monthly basis with the Faculties and larger Support Service departments.

2. Research income is 4% up on last year, but £1.8m behind budget. Pleasingly, overhead contribution is running £0.2m ahead of budget (pg 8). There are some interesting differences across the Faculties (pg 8). FoE are 17% ahead of last year and better than budget, whilst the other 3 faculties are behind budget. FoNS are £1.5m adverse to budget, but this is considered to be due to timing with actual spend coming through more slowly than anticipated. The FoNS order book remains strong. Academic Fees are on budget, some 9% higher than last year.

3. Faculty recurring costs are higher than budget, with higher bursary and training costs as student fees have been charged earlier this year (see below). However, staff costs within the Faculties are less than was budgeted (pg 7). Academic Services and Support Services are lower than budget (£1.5m) across most areas (pg 13), with the largest favourable variances being in the International Office, on bursaries and scholarships, and in ICT which is due to the timing of spend. Corporate Costs are running £2.1m better than budget, driven primarily by lower interest charges and VAT refunds totalling £1.2m (pg14), following wins against HMRC.

4. Commercial Services are £1m ahead of budget following very strong summer vacation and conferencing activity and a good catering performance, especially since the start of term (pg 15).

5. The College Fund has generated a surplus of £0.6m on the back of higher than expected donations.

6. On the balance sheet (pg. 3) there are a number of points to note:

   a. There is the normal seasonal impact of an increase in creditors, reflecting the billing of tuition fees at the start of the year with the fees then recognised as income on a monthly basis through the year. Process improvements have allowed tuition fee billing runs to be undertaken earlier than in prior years, giving a cash flow benefit as students pay earlier (pg11).

1. The full Financial Management Report is confidential and has therefore been omitted from these Minutes.
b. the largest debtor is the ICHT at £6.6m, which has increased by £1.0m since July. Of this, £4.7m is overdue. This remains unacceptable and the issue is being elevated.

c. Research WIP has worsened since the year end, increasing from £48.3m to £60.5m (pg 10). Whilst some increase is to be expected, due to the quarterly nature of profile payments, all Faculties are higher than this time last year and the WIP growth is greater than the corresponding increase in research volume.

7. As a result of the surplus and working capital position, the net cash position is good at £82m, which is £39m ahead of budget.

FINANCIAL OUTLOOK BEYOND 2010/11

8. Despite the publication of the CSR and the Browne review and the government’s response, there remains continuing uncertainty about future funding levels beyond 2010-11. The College continues to assess, and model, the potential impact on its fees strategy for 2012 and beyond.

MPK

November 2010
PAPER J

REPORT FROM THE COLLEGE FUND BOARD

A Paper from the Chairman of the College Fund Board

BACKGROUND

1. The purpose of this report is to bring the Council up to date with the progress of the College Fund in for the Financial Year to Date, covering the 3 month period up to the end of October 2010.

YEAR TO DATE

2. At the consolidated level, the position of the College Fund is as follows

<table>
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<th>Portfolio</th>
<th>31 Jul 10 Actual</th>
<th>30 Oct 10 Actual</th>
<th>YTD Variance £</th>
<th>%</th>
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<tbody>
<tr>
<td>Unitised Scheme*</td>
<td>£73.7m</td>
<td>£81.9m</td>
<td>£8.2m</td>
<td>11.1%</td>
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<tr>
<td>Special Circumstances:</td>
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<td></td>
<td></td>
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<tr>
<td>Non Core Property</td>
<td>£124.3m</td>
<td>£124.6m</td>
<td>£0.3m</td>
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</tr>
<tr>
<td>Long Term Debt</td>
<td>(£20.8m)</td>
<td>(£20.9m)</td>
<td>(£0.1m)</td>
<td></td>
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<tr>
<td>Woodlands Loan</td>
<td>(£20.0m)</td>
<td>(£20.0m)</td>
<td>0.0m</td>
<td></td>
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<tr>
<td>Net Property</td>
<td>£83.5m</td>
<td>£83.7m</td>
<td>£0.2m</td>
<td>0.2%</td>
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<tr>
<td>Imperial Innovations</td>
<td>£141.0m</td>
<td>£140.3m</td>
<td>(£0.7m)</td>
<td>(0.5%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£298.2m</strong></td>
<td><strong>£305.9m</strong></td>
<td><strong>£7.7m</strong></td>
<td><strong>2.6%</strong></td>
</tr>
</tbody>
</table>

* After Distributions and Net Additions

SPECIAL CIRCUMSTANCES PORTFOLIO

3. **Imperial Innovations** – Innovations has continued to perform strongly. The share price was 465p at the end of Oct 10; this is an increase of 31% from the position a year previously (355p). Since the last meeting of Council, Innovations have released their Annual Report for the year ended 31 July 2010. The report provides further evidence of the sustained success of Imperial Innovations. Financially, pre-tax profits rose to £5.5m, with £9.2m net cash collected this year from the sale of investments, up from £3.4m in 2009. Indications of the strength of Innovations' business model is shown by the sustained strength of its pipeline, with £14m invested in 20 companies; 3 companies launched and seed funded; and 48 patents filed.

4. **Operational Property**

   a. **52 Princes Gate** - Innovations are now in place at 52 Princes Gate, on a 25 year FRI lease paying an initial rent of £225k per annum for the first three years before the initial rent review. The residential accommodation on the top floor of the building has now been let, providing an annualised gross rental income of £57k. Negotiations to secure the freehold of the property is continuing on the basis of advice from our property consultants, as well as legal advice, that suggests the Fund should be able to secure the
freehold interest for a low premium. A formal response from the freeholder to the Enfranchisement Notice served earlier this year is expected in the middle of November following visits from their agent and legal representation.

5. Development Properties –

a. **Wye Residential** – the Old Vicarage was completed on time and on budget, and was handed over for marketing on the 8th of November at £2,500 per month.

The Old Flying Horse and Edward Partridge remain on programme, to be completed in this calendar year. Construction of the Coldharbour House development commenced at the beginning of November, with a 22 week construction programme. This is a high profile building on the edge of the Area of Outstanding Natural Beauty that has been vacant and derelict for a decade. Planning to convert into 5 flats was achieved last year, and terms agreed on the negotiated construction contract deliver a development gain and net return on capital employed ahead of the Fund’s investment target.

b. **Silwood Farmhouse** – A tenant has moved into residence at the Farmhouse in Silwood – the 8,000 square foot, 7-bedroom farmhouse conversion at Silwood. This provides an annualised gross rental income of £120k. Following the granting of planning permission, and comprehensive soil and wildlife surveys, construction has begun on a new access road to the property. This route is critical for ensuring that the Farmhouse is genuinely independent from the rest of the College’s property at Silwood, and will be built at a cost of £300k including VAT, in line with the initial budget figure. The Farmhouse has also been shortlisted for the Royal Borough of Windsor and Maidenhead Design Award 2010, with the judging panel viewing the property on October 29th.

6. Planning Schemes – Progress continues in relation to the following projects:

a. **Withersdane, Wye** – The scheme to create c.200,000 square feet of residential care accommodation at the Withersdane site continues. Ashford Borough Council (ABC) have ruled that a further period of marketing of a minimum of 6 months is necessary at Wye for them to be satisfied that there remains no latent demand for the whole campus as an educational site. This must include both the Main Campus North and Withersdane sites, and must be completed before they will entertain alternative use proposals for the individual sites, including Withersdane. This is a relatively short additional marketing period, due to the previous marketing of Main Campus North. The priority is clearly therefore to establish absolutely with ABC when the 6 month marketing period will commence and the terms of that marketing. Savills have been instructed to ensure this is achieved during the current financial year. The proposals for the care village at Withersdane will be held in abeyance until this period of marketing is over.
b. **Fisher Hall, Evelyn Gardens** – A formal planning application has been submitted to the Royal Borough of Kensington and Chelsea, and will be considered in November. This takes forward proposals formulated in collaboration with Wellcome Trust (the freeholders) to create a residential care facility at the Fisher Hall student residence in Evelyn Gardens. These plans would convert the existing hall into 20-25 sheltered housing units, in a ‘care hotel’ style development. Pre-application engagement with the council indicates that it will be viewed in a positive light, although dialogue is ongoing with the Council's conservation officers.

c. **Pembridge Annex** – A planning application for the revised scheme of 1 house and 13 residential apartments was submitted to the Royal Borough of Kensington and Chelsea (RBKC) on the 14th of September, and is due for determination at the 14th of December Planning Committee. Cluttons, planning consultants on the scheme, have put together a detailed counter-case on the two outstanding points of concern in relation to the application – the impact of the scheme on Daylight/Sunlight provision to retained buildings and the application of emerging policy in relation to affordable housing provision – to ensure a way forward on both is outlined. ISG have been involved as main contractor in the design process, ensuring that construction has been considered all the way through and, subject to planning, demolition will commence once the adjacent Pembridge Hall is vacated for the Christmas vacation period.

7. **Postgraduate Student Accommodation Schemes**

a. **Winstanley Road** – Progress on site at Winstanley Road has gathered pace, with planning permission now achieved for phase 2 of the scheme – the demolition and redevelopment of a former Children’s Home adjoining phase 1. Construction on site is proceeding approximately three weeks ahead of the revised programme which delivers the scheme a full year ahead. Floor slabs in block A have now been completed as high as floor 10, while the frame on block B is now complete. Demolition is proceeding on Block C and is now almost finished, with the soft-strip now complete. The brand development and marketing of the scheme is also progressing quickly, in conjunction with the Commercial Services division. The development is being marketed under the ‘Gradpad’ umbrella as ‘Griffon Studios’, to a standard which befits the nature of the product on offer. A ‘sales module’ replica of the studios is under construction, and will be in place on Imperial’s South Kensington campus for the Postgraduate Open Day in the first week of December.

b. **Woodlands Masterplan** – Following the resolution to grant the detailed planning permission for the Woodlands postgraduate scheme (see below) work is now focusing on the development of the rest of the campus at Woodlands. Following pre-planning feedback it was decided not to submit a formal hybrid planning application alongside the detailed postgraduate accommodation scheme. Work on the development of the site as a whole is continuing, building on the overall uses and massing for the site agreed prior
to the planned hybrid application. High-level discussions are now taking place within Imperial to gauge academic uses for the buildings on site, as well as appropriate funding mechanisms for the buildings.

c. **Woodlands Postgraduate Scheme** – Planning permission for 606 Postgraduate studio apartments and nine three-bedroom Family Units for Imperial College key workers was unanimously approved by Hammersmith and Fulham Council on the 13th of October. Achieving consent of this scale in just over a year from our acquisition of the site is a testament to the project team, most notably Voreda (the Development Partners); Jones Lang LeSalle (the Planning Advisers) and the design team led by Aukett Fitzroy and Robinson. The GLA have formally confirmed that they are content with the scheme, thus removing the risk of a ‘call in’ by the Mayor, leaving just the final terms of the s.106 to complete the permission. Achieving this milestone clears the major hurdle for repaying the special loan of £20m to the College for the Fund’s participation within the 18 month term specified. Soft strip demolition commenced on site immediately following the resolution to grant the planning permission, and the tender returns from the five contractors short-listed for the main contract have been received and are now subject to review. In parallel to this, the detailed specification of the studio rooms is being finalised by the College’s residences team.

In order to satisfy the lender (Santander) a formal opinion on the College’s capacity to enter into all the necessary documentation to move into the next stage of development is required. As with the Winstanley deal, this opinion is being provided by Mills & Reeve who have requested that the Council formally approve the resolution set out in Annex A to this paper.

**UNITISED SCHEME**

8. **Ceres Power** – Following long-standing concerns over the performance of the Fund’s holding in Ceres Power, a visit to the company has taken place to determine how robust the company is, both in terms of its financial state, and the likelihood of the company being able to
deliver its product to deliver initial product sales in mid 2012. Ceres Power presented their preliminary annual results for the year ended 30 June on the 29th of September. The report presented some notable achievements, but did also admit that the last twelve months had been challenging for the company, including the company being forced to expend the timeline of the residential Combined Heat and Power (CHP) commercialisation roadmap. In order to assess the significance of the remaining risks in the company, a follow-up meeting with the Technical Director of the company to discuss the outstanding Engineering/Technological issues, brokered via the Chairman, will be arranged.

9. Property Valuation

a. In order to more fully reflect the investment value of the Fund’s position in the postgraduate development schemes, a director’s valuation will be taken on partial developments once the schemes are ‘on site’. The valuation methodology takes the predicated final Gross Development Value (underpinned by a formal King Sturge valuation provided for the lending bank - Santander) and estimates the percentage of the development completed based on performance against the construction programme. The difference between the book value (ie the amount of equity directly invested to date) and the resultant investment value is then accounted for as an unrealised gain, with a tapering discount applied to cover the period between the current date and completion.

b. The Woodlands Special Purpose Vehicle has not yet completed the land transaction and thus is not on site, so it is premature to apply this methodology; however the Winstanley scheme has been on site for ten months and is 47% complete as at the end of October 2010 and therefore it is deemed appropriate to make the first revaluation. This results in an updated valuation of £6.3m versus investments to date of £4.1m. The majority of the unrealised gain represents the agreement with the development partner that the College invest 37.5% of the direct equity in return for a 49% interest in the asset. Other beneficial movements since commencement include the significant reduction in the development programme; the high level of RPI inflation; and a 15bp movement in the yield assessment for the university backed student accommodation market.

10. Performance – For the three months to the end of October 2010, the Unitised Scheme delivered a total return of 6.8%, ahead of the inflation adjusted target for the quarter (1.5%) and the weighted benchmark comparator for the period (5.5%). This moved the performance back towards the rolling five year target as set out in the chart below.
11. **Asset Allocation** – A notice to divest from the Jubilee Absolute Equity Fund (JAEF) has been sent to Fauchier, which will result in an additional £3m of cash to be invested for the end of February 2011. In addition, £3.6m has been received in new donations and endowments as at 31 October – these additional funds will be invested across the portfolio.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Strategic</th>
<th>30 Oct 10</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equities</td>
<td>55%</td>
<td>53.2%</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>20%</td>
<td>12.7%</td>
<td>-7.3%</td>
</tr>
<tr>
<td>Property (including committed cash)</td>
<td>10%</td>
<td>25.5%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Cash</td>
<td>15%</td>
<td>8.6%</td>
<td>-6.4%</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>nil</strong></td>
</tr>
</tbody>
</table>

SN
November 2010
• Further to the meeting of Council on 12 February 2010, where Council resolved “that the provision of a rental guarantee for the Woodlands Development, as set out in Paper F and in the presentation made to the Council, be approved…[and] that authority to enter into the rental [guarantee]…and all and any documentation necessary to facilitate the equity investment in the joint venture [company] which will carry out the…Woodlands Development and the proposed development of postgraduate student accommodation at Woodlands…be delegated to the College Fund Board.”

• And further to the recognition that, as part of the Woodlands Development, and as noted in Paper F from the Council meeting of 12 February 2010, the Woodlands Development would involve the College, as landlord, granting a long lease to the joint venture vehicle, now incorporated as Woodlands I LLP (the “LLP”) (the “Lease”).

• And noting that prior to the Council meeting of 12 February 2010, the College has conditionally entered into the following documents, each of which were dated 23 December 2009:

  (i) a land agreement in respect of land at Wood Lane, London W12 0TT (the “Property”) and entered into between the College (1) and the LLP (2) (the “Land Agreement”);

  (ii) a members agreement relating to the LLP and entered into between the College (1), Voreda Woodlands Holdco Limited (“Voreda”) and the LLP (3) pursuant to which the College and Voreda have agreed to regulate their respective rights and liabilities and the conduct of the business, management and affairs of the LLP (the “Members Agreement”); and

  (iii) a pre-emption agreement entered into between the College (1) and the LLP (2) pursuant to which the College had agreed to grant certain pre-emption rights in respect of the Property to Voreda Capital LLP;

(togther, the “Existing Agreements”).

• Whereby, pursuant to the Land Agreement, the College agreed to grant (subject to certain conditions precedent) the Lease of the Property to the LLP for a term of 150 years at a
peppercorn rent for the first 25 years (with RPI increases every 25 years) subject to a premium to be confirmed.

- Council’s attention is also brought to the commitment that under the documentation to facilitate the Woodlands Development the College would be giving various indemnities to third parties. In particular, that pursuant to:

  o clause 10.4 of the Land Agreement, the College had agreed to enter into the following deeds of indemnity:

    (i) a deed of indemnity in favour of the LLP in such form as the parties shall agree (each acting reasonably) pursuant to which the College agrees to indemnify the LLP against all covenants and obligations assumed by the LLP under the overage agreement dated 1 September 2009 between the British Broadcasting Corporation (1) and the College (2) (the “Overage Agreement”); and

    (ii) a deed of indemnity in favour of any bank or financial institution (the “Bank”) whose funding has satisfied the Funding Condition pursuant to the Land Agreement and pursuant to which the College agrees to indemnify the Bank against all covenants and obligations assumed by the Bank in connection with the Overage Agreement (together, the “Deeds of Indemnity”);

  o paragraph 4 of Schedule 3 of the Lease, the College would agree to give an indemnity in respect of planning obligations (the “Planning Indemnity”); and

  o under clause 14 of the Members Agreement, the Council had agreed to give certain indemnities to members of the LLP (the “Members Agreement Indemnities”) (together, the Deeds of Indemnity, Planning Indemnity and the Members Agreement Indemnities are the “Indemnities”)

- It should be noted that pursuant to paragraph 41 of Ordinance C1, the prior approval of Council must be obtained before any guarantee or indemnity is given, subject to certain limited exceptions.

- In addition to the contract for the provision of student accommodation/agreement for rental guarantee dated 4 June 2010 (the “Agreement for Rental Guarantee”), the Lease and the
rental guarantee agreement (the “Rental Guarantee Agreement”), the College will be required to enter into certain additional documents in relation to the Property, including:

(i) a direct agreement between, inter alia, the College, the LLP and the LLP’s funder pursuant to which the funder will be granted certain step-in rights in the event that the LLP fails to comply with its obligations as service provider under the agreement for rental guarantee (the “Direct Agreement”); and

(ii) an option agreement between the LLP (1) and the College pursuant to which the College would grant to the LLP the option of requiring the College to take a lease of certain private residential units on the Property (the “Option Agreement”).

Further to these matters, it is proposed that the Council formally pass the following resolution

Resolved:

(i) That the entry by the College into the Existing Agreements be hereby ratified;

(ii) That the entry by the College into the Indemnities and all and any other indemnities which may be required to facilitate the Woodlands Development as the College Fund Board may in its absolute discretion see fit are hereby approved and ratified; and

(iii) That the authority of the College Fund Board to do all acts and things and enter into all and any documentation necessary to facilitate the Woodlands Development (including entry into the Direct Agreement, Option Agreement, Lease and the Rental Guarantee Agreement and, for the avoidance of doubt, any documents which amend, supplement, novate or replace the Existing Documents from time to time) be hereby confirmed; and

(iv) pursuant to paragraph 42 of the Ordinance C1, the Director of Finance be instructed to note all and any guarantees and indemnities given by the College in relation to the Woodlands Development (including the Agreement for Rental Guarantee and Indemnities) in the central record of all guarantees and indemnities given by the College.
THE REFORM OF THE IMPERIAL COURT (PART II)

Note by the College Secretary

1. The Council at its meeting on 24 September debated proposals for the reform of the role and composition of the Court, based on the Governance Review’s proposals which it had previously accepted, and asked that the Management Board consider more fully the form that the Court’s meetings might take and bring back a paper to the November meeting of Council which could then be shared with Court and discussed at its February meeting.

2. Under the proposals for the composition of the Court, attached in the Annex, up to 90 members would be drawn from 12 categories. The Court might meet twice a year and, subject to Privy Council agreement to a change in the Statute, approve the appointment of the Chair and Deputy Chair of Council, on the recommendation of Council.

3. The Management Board have discussed and recommend a proposal that a varied programme of events should be adjoined to the formal business of the Court. A well designed programme would assist in fund-raising as well as engaging the Court with the work of the College. Resources would need to be devoted to organising the programme (probably in excess of £K100pa in steady state) and it would be most appropriately administered within the Communications and Development Division.

4. A framework for Court related events might be built on suggestions generated around the time of the College Centenary celebrations coupled with more recent ideas for an annual public exhibition of some of our research highlights. Such a Festival might be timed to coincide with the College’s birthday (7 July) and the summer meeting of Council and take place over two or three days. Posters, exhibits, demonstrations, lectures and laboratory visits might all be arranged perhaps combined with a formal celebration of the year’s external research prizes and honours awarded to staff. Internal promotions to chairs and recipients of the rector’s Research and Teaching Awards might also be recognised in front of peers (rather than in front of graduands and their families at the Albert Hall) at the formal meeting of the Court.

5. The alumni re-union day might also be combined with the celebrations as could open day(s) for prospective students and their families. Bespoke programmes for potential donors might be devised from the resources available during the Festival. Such a focal period for and critical mass of events may help to galvanise staff involvement more successfully than if they were to continue as stand-alone events in the College year.

6. Invitations to attend could be issued from the Court to the media, government, schools, alumni, neighbours, Friends, donors, special guests, livery companies, professional societies and embassies including those with which we had association through membership of the previous Court.

7. A second meeting of Court each year might to timed to coincide with the November meeting of Council at which the Court’s input into, for example, strategy development and fund-raising would be elicited.

8. The combination of new Court membership with a focussed programme of events would promote the ‘Influence’ theme in the recently published College Strategy. Successful stakeholder engagement is critical in maximising the value and impact of our efforts in research, education and translation on society.
9. Council is asked to consider and approve these proposals for making the Court a useful and effective body.

RFE
17 Nov 2010
ANNEX

Categories of membership of Court and method for selecting members

**Category**

Chairman: Chairman of Council

1. **Council (19-23)**
   Members of Council (ex-officio) (19-23)

2. **Senior executive team (4)**
   Members of staff who are members of the Management Board (other than the College Secretary if he or she is also Clerk to the Court and Council) who are not Council members (ex-officio) (4)

3. **Staff (4)**
   Senior Dean (ex-officio) (1)
   Directly elected staff (see Ordinance in Annex 3) (3)

4. **Students (2)**
   Two ICU Deputy Presidents nominated by the President of ICU (who qualifies under Category 1) (ex-officio) (2)

5. **Alumni (4)**
   Alumni as determined by the Development Board (4)

6. **Philanthropists (up to 10)**
   Philanthropists as determined by the Development Board (up to 10)

7. **Employers of our graduates (3)**
   Senior staff of those employers, as determined by the Management Board, who recruit significant numbers of our graduates and post-graduates (3)

8. **Schools (3)**
   Head Teacher nominated by the Head Masters Conference (1)
   Head Teacher nominated by the Girls Schools Association (1)
   Head Teacher nominated by the Secondary Heads Association (1)
9. Research sponsors (15)

One each nominated by the 15 largest sponsors of research in the College (exact definition of size to be determined by the Management Board) other than Imperial College Trust or Imperial College Healthcare NHS or Charitable Trust (15).

10. Associated NHS bodies (up to 4)

Senior staff nominated by Imperial College Healthcare NHS Trust (1)
Senior staff nominated by Royal Brompton and Harefield NHS Foundation Trust (1)
Senior staff nominated by other NHS bodies associated with the College as determined by the Management Board (up to 2)

11. Friends and Neighbours (14)

Member nominated by Friends of Imperial College (1)
Member nominated by Imperial College Trust (1)
Member nominated by Imperial College Healthcare Charitable Trust (1)

Member nominated by Royal Commission for the Exhibition of 1851 (1)
Member nominated by City and Guilds of London Institute (1)
Member nominated by the Royal College of Art (1)
Member nominated by the Royal College of Music (1)
Member nominated by the Natural History Museum (1)
Member nominated by the Science Museum (1)
Member nominated by the Victoria and Albert Museum (1)
Member nominated by the Corporation of the Hall of Arts & Sciences (Royal Albert Hall) (1)

Member nominated by the City of Westminster (1)
Member nominated by the Royal Borough of Kensington and Chelsea (1)
Member nominated by the Borough of Hammersmith and Fulham (1)

12. Other research, education or other partners or associates (4)\(^1\)

Senior staff nominated by research, education or funding partners as determined by the Management Board and not listed above (up to 2)
Members nominated by other organisations as determined by Council (up to 2)

Clerk to the Court: Clerk to the Court and Council

Total membership of up to 90

\(^1\) Examples might be UKCMRI, NTU (Singapore)
FELLOWSHIPS, HONORARY DEGREES, ASSOCIATESHIPS AND THE IMPERIAL COLLEGE MEDAL

A Note by the Clerk

1. At the Management Board in October 2010 when the Nominations for the award of Fellowships and Honorary Degrees were considered, there was some discussion of the relative merits of the various honorary awards currently given by the College. The Board felt that the criteria for each award were too similar and that there was insufficient distinction being made between the different awards.

2. The criteria for each of the awards set out in Ordinance B2 have now been reviewed and a number of revisions have been made to distinguish between these awards. These revisions:
   a. Make it clear that the Fellowship is the most prestigious award and that it is intended to recognise a close connection with the College.
   b. Remove the option of awarding honorary degrees for services to the College; this should be reserved for the Fellowship, Medal or Associateship awards.
   c. Moved the Imperial College Medal up in the hierarchy of awards, making it the next level of award after the Fellowship and honorary degree. The criteria for the award have also been revised so that it is now given for ‘exceptional’ service, while the Associateship may in future be given for for ‘meritorious’ service.

3. The option of giving an Associateship to people who are not staff members or former students has also been removed. Although the Management Board's feeling at its last meeting was that this award would be largely replaced by the Medal, it has been retained as an option for awards made in future years.

4. The Council is invited to consider, and if it sees fit, approved the proposed revisions to Ordinance B2.
HONORARY DEGREES, FELLOWS AND ASSOCIATES

1. The Council may confer any degree of the University College on any person *honoris causa* (hereinafter referred to as 'honorary degrees') and may elect as Fellows or Associates of the University College persons of distinction and persons who have, in the opinion of the Council, rendered significant services to the University College or to the community. The Council may also award the Imperial College Medal to such persons or organisations who have, in the opinion of the Council, rendered meritorious or praiseworthy exceptional service to the University College and may elect as Associates of the College persons who have, in the opinion of the Council, rendered meritorious services to the College.

ELECTION AS A FELLOW OF IMPERIAL COLLEGE

82. *Election as a Fellowship of the of Imperial College is the highest honour that may be awarded by the College. It is intended to recognise persons who are of outstanding distinction in their own fields who have a close personal connection with the College and/or have rendered exceptional service to the College. The Fellowship of Imperial College may be awarded:*

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

   b. To other persons not members of the University College who are of outstanding distinction in appropriate fields and have rendered exceptional services to the University College whom the University wishes to honour are, or have been, closely connected to the College.

93. In the criteria for Fellowship:

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

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

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

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1. See Ordinance B1, Paragraph 1 for the list of degrees.
5. Once elected, Fellows of Imperial College may use the postnominal FIC after their name.

CONFERMENT OF DEGREES HONORIS CAUSA

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

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

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

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

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

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

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

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

AWARD OF THE IMPERIAL COLLEGE MEDAL

12. The Imperial College Medal may be awarded to such persons or organisations, whether members of the University College or not, as may be deemed eligible by reason of their having rendered meritorious or praiseworthy, exceptional or outstanding service to Imperial College or having otherwise acted over a period of time to enhance its reputation, mission and/ or objectives.

ELECTION AS AN ASSOCIATE OF IMPERIAL COLLEGE

1413. Associateships of the Imperial College of Science, Technology and Medicine may be awarded:

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

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

c. Once elected, Associates of Imperial College may use the postnominal AIC after their name.

REVOCATION

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

Approved by the Council 23 March 2007
Effective from 8 July 2007
Revised by the Council 23 November 2007
Revised by the Council 20 November 2009
PAPER M

FELLOWSHIPS, HONORARY DEGREES AND THE IMPERIAL COLLEGE MEDAL MEDAL
RECOMMENDATIONS FOR 2011

A Note by the Rector

1. The Management Board met on 22 October 2010 to consider, in accordance with Ordinance B2 (a copy of Ordinance B2, including some proposed revisions, is included with Paper J), nominations for the conferment of Honorary Degrees, for the election of Fellows of the College and for the award of Imperial College Medals. The Chairman of the Council joined the Board for the discussion of the nominations.

FELLOWSHIPS

2. The Board agreed to make the following three recommendations to the Council for the conferment of Fellowships during 2011:

a. Sir Peter Gershon CBE

Sir Peter Gershon served as an external member of the Council of Imperial College from 2002 to September 2010 and was one of the Council's most valued and well-respected members throughout that period.

In addition to serving on the Council, Sir Peter was also a member of the Audit Committee, the Nominations Committee and the Remunerations Committee. In July 2009, he was appointed as Deputy Chairman of the Council and served in this capacity until the end of his second and final term of office in September 2010.

Sir Peter's astute judgement and keen understanding ensured that his contributions to important debates in the Council and its committees were always particularly valuable.

Citation:

The Board recommends the conferment of Fellowship on Sir Peter Gershon in recognition of the contribution he has made to the life and work of Imperial College.

b. Mr Alan Howard

Born in 1963, he graduated from Imperial with a BEng Chemical Engineering and Chemical Technology in 1986

Alan Howard is former Global Head of Proprietary Trading at Credit Suisse First Boston (CSFB). He left to set up his fixed-income focused hedge fund Brevan Howard in 2002. Brevan Howard, one of the most successful start-ups in the business, made £76 million in its first year of operation and is now one of the most successful hedge funds in Europe. Since its creation it has grown to become the world's fourth-largest hedge fund with $30bn (£20bn) run by 300 staff. He is on the
investor advisory panel of the Federal Reserve Bank of New York and the Board of Trustees of the American Enterprise Institute (AEI), a prominent US based think tank. The Alan Howard Charitable Trust was established in 2004 to advance the Jewish religion for the benefit of the public.

Alan Howard is a major donor to Imperial, having donated £1.5M to a scholarship fund for Israeli students in the Energies Futures Lab.

Citation:

The Board recommends the conferment of Fellowship on Mr Alan Howard in recognition of his philanthropic work and the contribution he has made to Imperial College.

c. Sir Richard Sykes

Sir Richard Sykes served as Rector from January 2001 to June 2008 and had a transformational effect on the College.

During his period of office, Imperial's income grew from £390M in 2001 to £603M in 2008, an increase of 55% in just 7 years. Imperial also achieved independence from the University of London while its international profile and reputation continued to rise, culminating in its being ranked fifth best university in the world by the Times Higher Education Supplement.

Sir Richard Sykes was born in 1942. He was educated at Queen Elizabeth College, University of London were he gained a BSc in Microbiology. He went on to receive a PhD in Microbial Biochemistry from Bristol University, and a DSc from the University of London.

Before joining Imperial, Sir Richard had a thirty year career in pharmaceutical research and industry with Glaxo, subsequently Glaxo Wellcome, where he was Chairman and Chief Executive, and then GlaxoSmithKline, which he left as Chairman in 2002. He was knighted in the 1994 New Year's Honours list for services to the pharmaceutical industry.

Sir Richard Sykes was awarded an Honorary Degree by the College in 1999.

Citation:

The Board recommends the conferment of Fellowship on Sir Richard Sykes in recognition of the outstanding contribution he has made to the life and work of Imperial College.

HONORARY DEGREES

3. The Management Board makes the following two recommendations to the Council for the award of Honorary Degrees of the College (the nominations are listed in alphabetical order):
a. **Professor Sir Liam Donaldson**

Sir Liam Donaldson was the Chief Medical Officer of the Department of Health since between 1998 and 2010 and is currently Chancellor of Newcastle University.

Sir Liam Donaldson was educated at the universities of Bristol, Birmingham and Leicester. Between 1994 and 1998 he was Regional Director for the NHS Region of Northern and Yorkshire, and prior to that Regional Medical Officer and Regional Director of Public Health for the Northern Regional Health Authority. He began his career as a surgeon before training in public health. As a result of his reports as Chief Medical Officer, he has had a marked effect on policy and legislation in a wide range of areas including stem cell research, quality and safety of health care, infectious disease control, patient empowerment, clinical performance, temperance legislation, medical regulation, and organ and tissue retention.

Sir Liam was knighted in the 2002 New Years Honours List.

**Citation:**

The Board recommends the conferment of an Honorary Degree of Doctor of Science (Medicine) on Professor Sir Liam Donaldson in recognition of his outstanding contribution to mechanical engineering.

b. **Mr Ray O'Rourke**

Ray O'Rourke is Chairman and Chief Executive of Laing O’Rourke, the company he founded over 30 years ago. It is now the largest privately owned construction solutions provider in the UK with international operations of £4.3bn in 2010.

His early career included roles at Kier plc and J Murphy & Sons. In 1977 he founded R O’Rourke & Son, which commenced trading the following year. Through organic growth and acquisition the company became a major force in UK construction, specialising in civil engineering on sub- and superstructure contracting. The business acquired the construction arm of John Laing plc in 2001, creating today’s extended international construction solutions group. He is the recipient of honorary doctorates from a number of universities in the UK and Ireland.

On 27 September, Imperial and Laing O’Rourke announced the creation of a new multidisciplinary academic centre of excellence to advance the systems engineering profession and leverage innovative thinking to benefit the construction industry. Laing O’Rourke, will fund the Laing O’Rourke Centre for Systems Engineering and Innovation at Imperial as part of its multi-million pound collaboration with the College.

**Citation:**

The Board recommends the conferment of an Honorary Degree of Doctor of Science (Engineering) on Mr Ray O'Rourke in recognition of his outstanding contribution to engineering and to the UK construction industry.
IMPERIAL COLLEGE MEDAL

4. The Management Board makes the following five recommendations to the Council for the award of the Imperial College Medal during 2011:

a. Mr Philip Blissett

Mr Philip Blissett, former Faculty of Medicine Operating Officer, has been a stalwart of Imperial College for over 35 years. He was responsible for ensuring the highest standards of financial planning and control within the Faculty of Medicine.

He joined St Mary’s Medical School as Deputy Finance Officer in 1974 and was appointed Director of Finance in 1980. In 1988 St Mary’s merged with Imperial College and he assumed the role of Director of Finance and Administration at the School. In 1997 he was appointed Head of Finance for the now enlarged Faculty of Medicine. In 2008 Philip was appointed the Faculty’s Operating Officer and oversaw the development and implementation of the new organisational structure which was completed prior to his retirement from the College in April 2010.

Citation:

The Board recommends the award of the Imperial College Medal to Mr Philip Blissett in recognition of the contribution he has made to the life and work of Imperial College.

b. Ms Susan Hartman

Mrs Susan Hartman began her service in the central secretariat of what was originally Charing Cross Medical School in 1978, and provided 30 years of seamless, excellent support to the central management and policy teams of the medical school administration. This was throughout its subsequent incarnations as the Charing Cross and Westminster Medical School (created 1984), Imperial College School of Medicine (1997) and Faculty of Medicine, Imperial College London (2001). Susan retired in 2007. Throughout this time Susan ably provided the institutional knowledge and skill in communicating and implementing procedural change required to underpin such an evolutionary process.

Citation:

The Board recommends the award of the Imperial College Medal to Mrs Susan Hartman in recognition of the contribution she has made to the life and work of Imperial College.

c. Professor Bob Schroter

Bob Schroter is Emeritus Professor and Senior Research Investigator in the Department of Bioengineering at Imperial College London. He has held the Personal Chair in Biological Mechanics since 1994. He obtained both his BSc and PhD in chemical engineering at Imperial College where he has been based throughout his career. He was

Quite apart from his distinguished academic career at Imperial and as Deputy Head of the Department of Bioengineering, Professor Schroter has made a major
contribution to the life of the College, particularly in his support for student activities and he has devoted an immense amount of his own spare time to improving the quality of life of students. For many years he was the Honorary Treasurer of the Imperial College Union, an entirely voluntary position through which, until October 2004, he acted as adviser and mentor to successive generations of students, and particularly the Student Union’s Presidents and Sabbatical Officers. Until October 2004, he was also one of the Licensees of the Union’s Bar. A second facet of student life in which he played a major role over a number of years was that of student expeditions. This was through the Exploration Board, of which in due course he became Chairman.

The third, and perhaps most significant, area of student life to which Professor Schroter devoted himself was sport, and specifically to rowing in which Imperial has long excelled. Here his contribution over the years was immense. He was continuously involved in fund-raising for the very expensive boats and equipment demanded by the sport, and for the boathouse itself through the leading part he played in the College Boathouse Appeal Fund.

Citation:

The Board recommends the award of the Imperial College Medal to Professor Bob Schroter in recognition of the outstanding contribution he has made to the life and work of Imperial College.

d. Professor Robin Smith

Robin Smith has been a quiet, typically modest but incredibly effective leader in the Physics Department, and the college, for many years, taking on many of the citizenship roles with great distinction, as well as making huge contributions to teaching at all levels.

Robin gained his first degree from Trinity College, Cambridge and joined the Imperial College Physics Department in 1964 as a postgraduate student. In 1968 he was appointed to a Lectureship in the Applied Optics Group rising to Professor of Physics in 1996. He was the department’s Senior Tutor (1974-1980), College Tutor (1980-1984), Head of the Applied Optics Group (1987-1992), Director of Undergraduate Studies (1992-1994), Director of Studies, incorporating both undergraduate and postgraduate teaching management (1994 – 1998) and Associate Head of Department (1998-2005). He also undertook the role of Acting Head of Department when Peter Knight became Faculty Principal in 2005. In short, Robin has carried out virtually every significant administrative role in this department, and at the same time continued to nurture his research activities and maintained a strong teaching presence. This is quite an exceptional achievement.

Citation:

The Board recommends the award of the Imperial College Medal to Professor Robin Smith in recognition of the outstanding contribution he has made to the life and work of Imperial College.

e. Dr Anna Thomas-Betts

Anna Thomas-Betts is an individual of the highest integrity and has shown immense
commitment to the student body at Imperial College.

She is a distinguished academic in her own right, contributing to work in student welfare through the post of College Tutor which she has held since 1998. During her time as a lecturer and then senior lecturer in the Geology Department, later to become part of Huxley School, Anna held many of the major posts associated with student learning and welfare (e.g. Physics Option Co-ordinator, Director of Undergraduate Studies and Senior Tutor) as well as holding administrative positions such as Director of Finance.

Anna has had a distinguished academic career at Imperial College since 1966, when she joined the College as a Post-Doctoral Research Assistant. She has held every possible post associated with undergraduate and masters level teaching since then, including Director of Undergraduate Studies, Senior Tutor and MSc Course Coordinator. She has been a College Tutor since 1998.

Anna’s integrity, commitment, hard work and good sense means she is greatly respected by the whole College community and, in her work as a College Tutor over several years, has contributed to health and welfare of many current and former students.

Citation:

The Board recommends the award of the Imperial College Medal to Dr Anna Thomas-Betts in recognition of the outstanding contribution she has made to the life and work of Imperial College.

5. The Council is invited to consider, and if it sees fit, approve the nominations for the conferment of Honorary Degrees, for election of Fellows of the College and for the award of the Imperial College Medal.

K.O.N.
UKCMRI UPDATE

A Note by the Principal, Faculty of Natural Sciences

ACTIONS SINCE THE LAST COUNCIL MEETING

1. Discussions have continued with Sir David Cooksey (Chair, UKCMRI Steering committee), John Cooper (Chief Operating Officer and Interim Chief Executive UKCMRI) and Melanie Chatfield (General Counsel, UKCMRI) regarding the terms of our possible inclusion in UKCMRI.

2. A 'summit' meeting was held on November 8th 2010 between the Heads of Kings, UCL and Imperial College, Sir Paul Nurse, Sir David Cooksey, John Cooper and Melanie Chatfield to discuss the terms of our possible accession to UKCMRI. The discussion focussed on the draft MoU produced by UKCMRI. The intention is to move this to a Heads of Terms agreement by 31st December 2010 and to complete the agreement for our accession by 31st March 2011.

3. The joint venture agreement was signed by the four founding partners on 9th November 2010.

CURRENT POSITION

4. Our financial contribution for inclusion as a ‘Full’ member is revised to £40m (phasing as per attached agreement).

5. A particular issue regarding registration of PhD students was identified at the summit meeting. UCL currently register the majority of PhD students based at NIMR and LRI, which is a position that the other Universities do not believe should persist.

6. We also identified as an issue for Imperial College the Innovations pipeline agreement.

7. The academic engagement group, chaired initially by UCL plans to meet before Christmas to resolve/discuss issues of particular relevance to University partners.

8. Council is invited to note progress towards our membership of UKCMRI and discuss any issues of concern.
PAPER P

CARBON MANAGEMENT PLAN

A paper from the Director of Facilities and Property Management

ISSUE

1. This paper invites the Council to consider, and if its sees fit, approve the College’s Carbon Management Plan (CMP).

BACKGROUND

2. The Climate Change Act 2008 aims to improve Carbon Management and help the transition towards a low carbon economy in the UK. It sets legally binding targets for greenhouse gas emissions of at least 34% by 2020 and at least 80% by 2050 against a 1990 (Kyoto) baseline.

3. As part of its aim of ensuring a sector cut in carbon emissions of 34% by 2020, HEFCE requires institutions to develop and publish a Carbon Management Plan. Compliance with HEFCE’s expectations in this regard will help to inform HEFCE capital funding allocations from 2011.

4. The CMP is the outcome of the College’s participation in Phase V of the Carbon Trust’s Higher Education Carbon Management Programme. It was developed by the College’s Carbon Management Steering Board, the membership of which is listed at Annex A.

CARBON MANAGEMENT PLAN

5. The CMP articulates the College’s commitment to reduce its carbon footprint from 84,026 tonnes of CO\textsuperscript{2} in 2008-9 to 67,221 tonnes by 2014-15. This equates to an absolute reduction of 20% and a target saving of nearly 25,500 tonnes of CO\textsuperscript{2} per annum based on projected ‘business as usual’ figures. All scope 1 and 2, and some scope 3, emissions are included within the target. The CMP explains how some of these savings will be achieved and establishes an aspirational target for the College of 34% reduction by 2020 against the 2008-09 benchmarks.

6. The College’s carbon strategy meets all of the Carbon Trust criteria for a good quality Carbon Management Plan (CMP). The Carbon Trust has stated that the College’s Plan is one of the strongest produced during HECM Phase V, taking on the challenge of reversing business as usual rises in emission and energy costs and then making absolute reductions.

7. A table which maps the CMP’s alignment to HEFCE expectations is provided at Annex B. A summary version of the CMP is provided at Annex C and a full version of the CMP, which runs to 98 pages, will be available at the Meeting.

8. Progress in delivering the CMP will be formally reported annually, the review will document the costs and all the benefits from the programme such as:-

- Financial savings.
CO₂ savings against agreed targets.
Less quantifiable benefits, such as influencing the student body / local community.

RECOMMENDATION

9. The Management Board considered the CMP at its meeting on 17 September 2010 and recommended that it be approved by the Council. The Council is now invited to consider, and if it sees fit, approve the College’s Carbon Management Plan.

Director of Facilities and Property Management
September 2010
Annex A: Membership of the Carbon Management Steering Board

The Carbon Management Steering Board is comprised of the following staff and Chaired by Ralf Toumi and Nick Roalfe.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martin Knight</td>
<td>Chief Operating Officer (Project Sponsor)</td>
</tr>
<tr>
<td>Nick Roalfe</td>
<td>Director of Facilities and Property Management (Chair Joint)</td>
</tr>
<tr>
<td>TBA</td>
<td>Energy and Environmental Manager (Project Manager)</td>
</tr>
<tr>
<td>Kevin Cope</td>
<td>Head of Building Operations (Deputy Project Leader)</td>
</tr>
<tr>
<td>John Shelmit</td>
<td>Head of Technology Operations (IT)</td>
</tr>
<tr>
<td>Andrew Murphy</td>
<td>Director of Finance</td>
</tr>
<tr>
<td>Nigel Bell</td>
<td>Professor of Environmental Pollution</td>
</tr>
<tr>
<td>Bob Cummins</td>
<td>Faculty Operating Officer (Life Sciences)</td>
</tr>
<tr>
<td>Angus Stephen</td>
<td>Assistant Director of Projects</td>
</tr>
<tr>
<td>Jane Neary</td>
<td>Director of Commercial Services</td>
</tr>
<tr>
<td>Alex Kendall</td>
<td>President of Student Union</td>
</tr>
<tr>
<td>Caroline Davis</td>
<td>Head of Communications</td>
</tr>
<tr>
<td>Ralf Toumi</td>
<td>Academic Representative (Chair Joint )</td>
</tr>
<tr>
<td>Maggie Dallman</td>
<td>Faculty Principal of Natural Sciences</td>
</tr>
<tr>
<td>Jon Friedland</td>
<td>Representing Medical Campuses</td>
</tr>
</tbody>
</table>
Annex B: Alignment of the Carbon Management Plan (CMP) to HEFCE expectations

<table>
<thead>
<tr>
<th>HEFCE expectation</th>
<th>Met?</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>A carbon management policy or strategy – this could be part of a wider environmental/sustainability policy.</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>A carbon baseline for 2005 that covers all scope 1 and 2 emissions. This year is being used as a baseline because it is used for reporting against UK targets, and the SQW report demonstrated that robust data for scope 1 and 2 is available for that year at institutional level. This will provide consistency across the sector against which progress can be monitored and reported. Institutions are encouraged to measure a baseline for scope 3 emissions and in the longer term we will expect these to be included.</td>
<td>Yes</td>
<td>The CMP is set against a 2008-09 baseline; however, it is more ambitious to set the College’s carbon emissions target against 2008-09 as a baseline year because this figure is lower than the 2005-06 data provided by HEFCE (84,026tCO² compared to 85,069tCO²).</td>
</tr>
<tr>
<td>Carbon reduction targets. These must:</td>
<td>Yes</td>
<td>The target is a 20% reduction by August 2014 from a 2008/09 baseline. The CMP includes an aspirational target of 34% reduction by 2020 against the 2008-09 baseline.</td>
</tr>
<tr>
<td>• cover scope 1 and 2 emissions, although institutions may choose to set additional targets for wider aspects.</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>• be SMART (specific, measurable, achievable, realistic and time-bound</td>
<td>Yes</td>
<td>They are only SMART for the 2014 target – not the 2020 target. The CMP states that ‘the College is setting an aspirational target of a 34% reduction by 2020 against 2008-09 and realises that there will need to be significant further reduction opportunities identified if this is to be achieved. Therefore, new projects and opportunities will need to be found and the CMP updated in 2014 to meet the 2020 target.’</td>
</tr>
<tr>
<td>• be set against a 2005 baseline. Institutions may choose to set their reductions in context by setting additional targets against an alternative baseline year.</td>
<td>Yes</td>
<td>As above.</td>
</tr>
<tr>
<td>• be set to 2020, because this is the timescale for interim government targets. This will provide consistency across the sector against which progress can be monitored and reported. Institutions may also set interim milestones.</td>
<td>Yes</td>
<td>The target is set to 2014; however, the CMP includes an aspirational target of 34% reduction by 2020 against the 2008-09 baseline.</td>
</tr>
<tr>
<td>• be publicly available.</td>
<td>Yes</td>
<td>To be placed on the College website.</td>
</tr>
<tr>
<td>An implementation plan to achieve absolute carbon emission reductions across scopes 1, 2 and 3 including timescales and resources. These may cover capital projects and actions to embed carbon management within the institution, for example, through corporate strategy, communication and training.</td>
<td>Yes</td>
<td>Implementation plan only covers 68% of 2014 target: ‘thus, further carbon reduction projects will need to be identified and implemented’. Opportunities with which to meet these further targets are discussed.</td>
</tr>
<tr>
<td>Clear responsibilities for carbon management.</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>
A commitment to monitor progress towards targets regularly and to report publicly annually.  | Yes  | A review of the CMP will take place annually, be presented to senior management and be made publicly available.
---|---|---
The carbon management plan and targets must be signed off by the governing body.  | No  | The CMP is to be considered by the Management Board at its meeting to be held on 17 September 2010. If approved, Council will then be asked to consider, and if it sees fit, approve the CMP at its meeting to be held 26 November 2010.
PAPER Q

MAJOR PROJECTS REPORT

A Note by the Chief Operating Officer

PROJECTS APPROVED AND UNDER CONSTRUCTION

SOUTH EAST QUADRANT 1ST PHASE (£76M)

1. **Skempton.** This project was completed on time in August and on budget. The facility is now being used and feedback has been extremely positive.

2. **Mechanical Engineering Levels 0 & 1.** The majority of this facility was handed over on time during w/c 15th November. Decant has commenced and heavy testing equipment is being positioned in the new facility. The thermofluids teaching laboratory will come on stream at the beginning of January and the Thermofluids 2 (Engine testing) will be complete in May. The programme of works remains on budget.

BLOCK ‘L’ (£74M)

3. Some slippage in the Bovis programme has been mitigated through resequencing and the team is confident of a successful delivery on time in July 2011. The definitive requirements for the occupants have yet to be concluded but there is a 6 month window to complete the final fit out prior to official occupation at the beginning of 2012 and this may mean an earlier occupation should the fit out needs prove modest. There are possibilities of use for the basement, no longer required by the Imperial College NHS Trust including a second data centre or facilities for Natural Science.

INSTITUTE OF SHOCK PHYSICS (£0.8M)

4. The project is complete and awaiting the equipment to arrive from AWE. This is now anticipated early January.

HAMMERSMITH CBSH1 FACILITY (£10.5M)

5. After a short delay to resolve teething problems with the new cagewash the final floor has been vacated for refurbishment and work is progressing towards completion next summer.

PILOT PLANT (£8.9M)

6. This project is progressing well and some areas have already been completed and handed back. The mezzanine floor construction is underway after some problems in the ground in finding suitable pile locations. Plant rooms are progressing well on the roofs.
ST MARY’S 5TH FLOOR REFURBISHMENT (£1.5M)

7. This project is completed and handed over.

ROBOTIC ASSISTED MICRO SURGERY LABS (£1.03M)

8. Work has commenced on revamped space in the Bessemer Building.

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

9. Renewal of major mechanical infrastructure was very successfully completed over the summer period. Works are now underway on a new electrical transformer housing and the final cabling will take place at the next convenient off peak period as the route is along Imperial College Road.

CANCER IMAGING CENTRE (£0.95M)

10. This work in the MRC Cyclotron Building will be completed in December.

STUDENT RESIDENCES LTM (£0.56M)

11. Refurbishments in Pembridge Hall, Willis Jackson and Clayponds were all successfully completed over the summer period.

MATHS LIBRARY (£0.3M)

12. New study space was completely refurbished during the summer period once the books had been moved to the main library. This now provides good quality interaction space with work stations for studying.

PROJECTS IN PRE CONSTRUCTION

MPAC MATERIALS FOR ENERGY (£3.04M)

13. Tenders have been returned on budget and the Planning and listed Building application was submitted on 4th October. This project will infill a floor in a double height space providing teaching space for new MSc courses. New laboratories will be created beneath the teaching space. Works will commence in March 2011.

STUDENTS UNION (£3.3M)

14. Refurbishment of two bars and a nightclub is now complete and the increased levels of sales is testament to the success of this project.
COLLEGE FUND PROJECTS

PEMBRIDGE GARDENS (£3.7M)

15. Planning determination is awaited and we are hopeful for a December hearing to enable the demolition of the annex over the Christmas break in order not to disrupt the students.

WYE CAMPUS PROJECTS – VARIOUS (£1.3M)

16. The Old vicarage is now refurbished and Edward Partridge House and the Old Flying Horse will be completed in December. Design of Wolfson House is underway.

IMPERIAL WEST POST GRAD ACCOMMODATION

17. Planning Permission has been achieved and the GLA have also approved. The Judicial Review period will commence once the S106 agreement is finally concluded. Demolition of buildings along the northern edge of the site has commenced and tenders have been returned within the cost plan for the new accommodation. It is intended that the only buildings to be retained short term will be the sports centre and the adjoining block. An architectural competition has taken place for ‘Building C adjacent to the Post Graduate accommodation to provide a basis for fund raising and planning the first academic building on the site.
PAPER R

SUBMISSION OF THE ANNUAL MONITORING STATEMENT, CORPORATE PLANNING STATEMENT, FINANCIAL FORECASTS AND FINANCIAL COMMENTARY TO HEFCE

Paper from the Acting Director of Planning and the Director of Finance

BACKGROUND

1. As part of its 'single conversation' process HEFCE requires higher education institutions to submit an Annual Monitoring Statement (AMS), a Corporate Planning Statement (CPS), Financial Forecasts (FF) and a Financial Commentary (FC) each year. (1)

2. This paper invites the Council to note the College's AMS and CPS and to approve the Financial Forecasts and Financial Commentary. The Management Board approved these documents at its last meeting and the College is required to submit them to HEFCE by Wednesday 1 December 2010.

ANNUAL MONITORING STATEMENT (AMS)

3. Through the AMS, the College is required to report and provide assurance on the following activities, some which are linked to special funding initiatives:

   a. Overseas Research Students Awards Scheme (ORSAS): the College is asked to report on the ORSAS awards made in 2009-10 and provide assurances on associated funding.

   b. Higher Education Innovation Fund (HEIF) round four: the College is asked to report on achievements, current and anticipated risks and mitigating approaches, and to provide assurances on associated funding.

   c. Equality and diversity: the College is asked to report on the delivery of objectives and achievements for 2009-10. A brief description of the College’s key equality objectives and/or actions for 2010-11 is also required.

4. In previous years, HEFCE has requested further details where there has been a significant under spend (>10%) linked to special funding initiatives for the year in question. For the first time this year, the College is required to provide details about any under spend (however small), and the reasons for this.

5. In preparing the AMS, those with responsibility for these areas/activities were consulted. The reports in the AMS were circulated to them for review and all comments have been incorporated, as appropriate.

CORPORATE PLANNING STATEMENT (CPS)

6. Through the CPS, the College is required to set out progress against priorities for 2009-10 and outline goals for 2010-11. Members of the Management Board and other senior managers have provided input and relevant sections of the CPS were circulated to all contributors.

1. The AMS, CPS and FF are confidential and are therefore not included with these Minutes.
FINANCIAL FORECASTS (FF) AND FINANCIAL COMMENTARY (FC)

7. Although these are normally required to be submitted by 1 December, HEFCE has recognised that, because of the continuing uncertainty about HEFCE funding beyond 2010-11, the Browne report and the Spending Review, institutions may not have firm enough indications of future income to enable them to complete their financial forecasts meaningfully at this time. HEFCE's view is that institutions' forecasts are likely to benefit from a delay until spring 2011, when information about future funding will be more complete. HEFCE has therefore offered institutions the option of submitting their forecasts in either December 2010 or April 2011.

8. Institutions choosing to submit their full financial forecasts in April 2011 are still required to submit a limited financial forecast to HEFCE in December, this forecast to cover the period to the end of 2010-11. Forecasts for the following three years must then be submitted by 15 April 2011, in addition to an updated forecast for the period ending July 2011.

9. The College has decided to take up the option to delay the full submission of the financial forecast until April. Hence the financial forecast only includes data relating to the 2008/09, 2009/10 performance and the forecast for the 2010/11 financial year.

10. The Financial Forecasts and Commentary must be approved by the Council before they are submitted to HEFCE. The Council is therefore asked to consider, and if it sees fit, approve the Financial Forecasts and Commentary.

Andrew Murphy
November 2010
INTRODUCTION

1. At its last Meeting, the Council considered a number of revisions to College Ordinances intended to give effect to the recommendations from the Governance Review. Although most of the revisions were approved, the Council did not approve the proposed terms of reference of the Management Board. It was also recognised that further revisions would need to be made to the terms of reference of the Audit Committee.

AUDIT COMMITTEE TERMS OF REFERENCE

2. It was accepted at the Council’s last Meeting that the Audit Committee’s terms of reference would have to be revised to take account of the existence of the Risk Committee and to ensure that there was no overlap between the two committees. Furthermore, in July 2010, HEFCE published a new Model Financial Memorandum between HEFCE and institutions. The Model Financial Memorandum includes the HEFCE Audit Code of Practice which, amongst other things, sets out the reporting requirements for audit committees. These have recently been extended to include the management and quality assurance of data submitted to HESA and HEFCE. The Committee’s terms of reference have now been revised to take account of the creation of the new Risk Committee and the extended HEFCE reporting requirements. They have also been compared with the model terms of reference for Audit Committees set out in the Handbook for Members of Audit Committees in Higher Education Institutions published by the Committee of University Chairmen and amended accordingly.

3. At its Meeting on 10 November, the Audit Committee accepted these revisions and recommended that they be approved by the Council. If approved, the revised terms of reference will be incorporated in Ordinance A9, Committees of the Council. The revised terms of reference are attached at Annex A.

MANAGEMENT BOARD TERMS OF REFERENCE

4. The Governance Review also included a recommendation that the Management Board’s terms of reference be enshrined in the College’s Ordinances and, at the last Council meeting, the terms of reference were presented for formal approval. However, it was noted that the proposed Ordinance appeared to give the Management Board authority for responsibilities which were devolved to the Rector in other ordinances. The Council therefore asked the Secretariat to review the terms of reference and resolve this apparent contradiction in the ordinances.

5. The Management Board terms of reference (draft Ordinance A11) have now been revised to make clarify the Management Board’s role in decision making and the limits of its authority. In particular, they now confirm that the Board assists the Rector in discharging his responsibilities and that he and the Board are expected to work together. The revised terms of reference are attached at Annex B.
6. The Council is invited to consider, and if it sees fit, approve the proposed revisions to the Ordinances.

R.F.E.
AUDIT COMMITTEE

TERMS OF REFERENCE

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

2. To consider the Annual Financial Statements in the presence of the external auditors, including the auditor's formal opinion, the statement of members’ responsibilities and any corporate governance statement, the statement of internal control, in accordance with the funding council’s accounts direction.

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

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

5. To discuss with the external auditors, before the audit begins, the nature and scope of the audit.

6. To discuss with the external auditors problems and reservations arising from the interim and final audits, including a review of the management letter, incorporating management responses, and any other matters the external auditors may wish to discuss (in the absence of management where necessary).

7. To consider and advise the governing body on the appointment and terms of engagement of the internal audit service (and the head of internal audit if applicable), the audit fee, the provision of any non-audit services by the internal auditors, and any questions of resignation or dismissal of the internal auditors.

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

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

10. To monitor the effectiveness of the University’s risk management policy and procedures, and in this regard, to receive annual reports from the Rector on Risk Management and the management of Health and Safety within the University, ensure that all significant losses have been properly investigated and that the internal and external auditors, and where appropriate the funding council’s accounting officer, have been informed.
11. To oversee the University's policy on fraud and irregularity, including being notified of any action taken under that policy.

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

913. To monitor annually the performance and effectiveness of external and internal auditors, including any matters affecting their objectivity.

1014. To report to the Council at least annually on its activity for the year and to give its opinion on the extent to which the Council may rely on the adequacy and effectiveness of the University's risk management control and governance arrangements; its arrangements for promoting economy, efficiency and effectiveness; and the arrangements for the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), HEFC and other funding bodies.

15. In the event of the merger or dissolution of the University, to ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.

1116. The Committee shall have the authority to call for any information from College officers, external and internal auditors and others which it considers necessary to discharge its responsibilities effectively.

CONSTITUTION

1217. The Committee and its Chairman shall be appointed by the Council from among its own members and must consist of members with no executive responsibility for the management of the University. No member of the Audit Committee may also serve on the University’s Finance Committee or its equivalent.

1318. Members

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

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

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

1419. In Attendance

The Rector
The Deputy Rector
The College Secretary

The Chief Finance Officer
The Director of Finance
Representatives of the internal and external auditors

4.20. Secretary

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

MEETINGS AND REPORTING

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

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

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

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

b. Arrangements for promoting economy, efficiency and effectiveness (value for money).

c. The arrangements for the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), HEFC and other funding bodies

4.24. This Report will be presented to the Council before the members’ responsibility statement in the Annual Financial Statements is signed.

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

QUORUM

4.26. The quorum shall be the Chairman and one other member.
POWERS, FUNCTIONS, MEMBERSHIP AND MEETINGS OF
THE MANAGEMENT BOARD

POWERS AND FUNCTIONS OF THE MANAGEMENT BOARD

1. The Management Board is the College’s senior management committee chaired by the Rector. It acts in an advisory capacity to the Rector and assists him in discharging the duties delegated to him by the Council. In particular, it works with the Rector to devise and deliver strategy and policy, propose and monitor budgets, agree financial, staffing and organisational plans, hold organisational units to account for the delivery of their plans, initiate projects, and generally ensure the good, safe, healthy, effective and efficient running of the university. It also considers and approves major projects.

2. Acting in conjunction with the Rector, its terms of reference are to:

   a. In conjunction with the Rector, to develop the vision and overall strategy, priorities and total budgets for the College;
   b. To oversee the strategic planning process and to recommend the draft Strategic Plan and supporting strategies for approval by Council;
   c. To ensure delivery of the Strategic Plan;
   d. To ensure that resources are deployed effectively and to that end, oversee the annual budgeting process and recommend the budget for approval by Council;
   e. To hold the Planning Units (the Faculties, Support Service Divisions and others) to account for delivery of their plans and budgets;
   f. To approve and track major projects in line with the financial authorities delegated to the Rector and it by the Council;
   g. To ensure that effective management and legal compliance structures are in place within College;
   h. To respond to major external opportunities and threats and to review periodically the College’s Risk Register to ensure that key risks affecting the College are being appropriately managed, and to make appropriate reports and recommendations to the Audit-Risk Committee and the Council;
   i. To receive regular reports on significant health and safety matters and to advise the Rector on health and safety matters as appropriate.
   j. To approve all tuition fees and fee bands, subject to prior consultation with the Council on major changes in strategy.

Council
26th November 2010
k. To oversee the College's arrangements for ensuring economy, efficiency and effectiveness, and to make appropriate reports and recommendations to Audit Committee and Council.

l. To approve the Annual Operating Statement, Corporate Planning Statement and other statutory returns for submission to HEFCE.

m. To ensure effective internal and external communication of College activities;

n. To develop and nurture relationships which will enhance the reputation, image and funding of the College;

o. To frame recommendations requiring Council approval, including those relating to the acquisition and disposal of property.

CONSTITUTION

Chairman
Rector

Ex-Officio Members
Deputy Rector
Chief Operating Officer / Chief Finance Officer
Principal of the Faculty of Engineering
Principal of the Faculty of Medicine
Principal of the Faculty of Natural Sciences
Principal of the Imperial College Business School
College Secretary

Other Members
The Rector may appoint other members of the Senior Staff of the College as members of the Management Board, as he sees fit.

Secretary
Head of Central Secretariat

MODUS OPERANDI

3. The Management Board is the College’s senior management committee.

4. It has delegated authority from the Council to approve project expenditure up to a maximum of £10M, where the project has previously been approved as part of the College’s Capital Investment Plan. The Board also has delegated authority to approve Projects with a total value of less than £5M which have not been included in the Capital Investment Plan.
5. Health and safety is considered as a priority standing agenda item at each Management Board meeting.

6. Reports for the Council and proposals for expenditure above the delegated limits must be submitted to the Management Board for consideration before they are presented to the Council.

QUORUM

7. The Quorum is to be the Rector, or Deputy Rector and four members, two of whom are to be Principals.
INTRODUCTION

1. Ordinance D7, General Provisions for Academic Staff: Dismissal, Discipline, Grievance Procedures and Related Matters, sets out how appeals against dismissal must be considered. Paragraph 24 of the Ordinance states that:

   “Appeals against dismissal shall consist of a panel of three persons, none of whom shall previously have had any involvement with the case. The three person panel shall include one lay member of the Council, one Dean and one person drawn from a list agreed from time to time by the Council. If no Dean is eligible or willing to serve, or if the panel is an appeal panel considering the position of a Dean, two persons will be drawn from the list agreed by the Council. The Director of Human Resources or his or her nominee will determine in his or her discretion a member of the panel to act as Chair.”

2. Members will note that, in addition to a member of the Council, the Panel must include “one person drawn from a list agreed from time to time by the Council”. The purpose of this Paper is to update the list agreed in March 2008.

3. One of the prerequisites for panel members must be that they have had no previous connection with the case. In order to ensure that this is independence is maintained, the list of panel members should include senior academic and administrative staff from across the College. The proposed revisions to the list of panel members are shown below:

   Professor Maria Belvisi - Medicine
   Mr Nigel Buck - Support Services
   Professor Dorothy Griffiths - Tanaka Business School
   Professor Chris Hankin - Engineering
   Ms Susan Howard - Support Services
   Mr Paddy Jackman - Support Services
   Professor Mike Jeger - Natural Sciences
   Ms Fiona Kirk - Support Services
   Professor David Lane - Medicine
   Professor Jeff Magee - Engineering
   Mr Tom Miller - Support Services
   Professor David Nethercot - Engineering
   Professor Stephen Richardson - Engineering
   Professor Murray Selkirk - Natural Sciences
   Professor Jonathan Weber - Medicine
   Dr Kenny Weir - Natural Sciences

4. The Council is asked to consider, and if it sees fit, approve the list set out in paragraph 3 above.

R.F.E.
November 2010