

MINUTES OF THE PROCEEDINGS

at the

Thirty-seventh Meeting of the

COUNCIL

of the

IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Thirty-seventh Meeting of the Council was held in the Council Room, 170 Queen's Gate, South Kensington Campus, Imperial College London, at 10:00 a.m. on Friday, 11th July 2014, when there were present:

The Baroness Manningham-Buller (Chair), Mr. C. Brinsmead, Dame Ruth Carnall, Mr. I. Conn, Mrs. P. Couttie, Professor M.J. Dallman, Sir Philip Dilley, Mr. D. Goldsmith, Professor N. Gooderham, Professor Dame Julia Higgins, Professor D.P.A. Kelleher, Ms. J.R. Lomax, Professor J. Magee, Mr. J. Newsum, Mr. S. Newton, Ms. K. Owen, Mr. M. Sanderson, Professor J Stirling, the President and the Clerk to the Court and Council.

Apologies

Professor A. Anandalingam.

In attendance

The Director of Human Resources (for Minutes 14 to 17)

MINUTES

Council – 16th May 2014

1. The Minutes of the thirty-sixth Meeting of the Council, held on Friday, 16th May 2014, were taken as read, confirmed and signed.

CHAIR' S REPORT

2. On behalf of the Council the Chair congratulated Sir Philip Dilley on his being knighted in

The Queen's Birthday Honours List. The Council also congratulated Professor Tom Kibble and Professor Tejinder Virdee, who had also been Knighted.

3. The Chair informed the Council that the Nominations Committee had met on 16th May to consider appointments to Council committees and the timely establishment of a Search Committee for the identification of her successor. To this end the Committee had agreed to recommend to the Council that a separate Search Committee for the Chair should be established with the following membership:

Mr Jeremy Newsum (Chair)
Prof Dame Julia Higgins
Sir Rob Margetts (external member)
Ms Kate Owen
Sir Keith O'Nions (Alice Gast from 1 September)
Mr Muir Sanderson
Prof James Stirling
Mr John Neilson (Secretary)

4. The Chair also advised members that Dame Julia Higgins had decided to resign as a member of the Risk Committee after its meeting in June 2014, to make time for her to serve as a member of the College's reconstituted Central Animal Welfare and Ethical Review Body. The Nominations Committee had recommended to the Council that Dame Ruth Carnall be appointed to the Risk Committee in succession to Dame Julia Higgins.

Resolved:

- (i) **That the appointment of a Search Committee for the Chair of Council with a membership of Mr. Jeremy Newsum (Chair), Professor Dame Julia Higgins, Sir Rob Margetts, Ms. Kate Owen, the President, the Chief Financial Officer and the Provost be approved; and**
- (ii) **That the appointment of Dame Ruth Carnall as a member of the Risk Committee with effect from 25 June 2014 be approved.**

PRESIDENT'S REPORT

4. Reporting on Development, the President said that the College had now received £70m in donations this year, making it an exceptional year. Key to the long-term health of the College was the fact that over 5,000 individuals had also donated to the College last year. The President then updated the Council on his plans for his last few weeks in post, which included a visit to South East Asia and China with other representatives from the College.

PROVOST'S REPORT

5. The Provost, James Stirling, updated the Council on the use of animals in research at the College. He reminded members that the College had accepted all the recommendations of an independent report on the culture and approach to animal care and welfare by Professor Steve Brown in December 2013 and was now implementing those recommendations. Substantial progress had been made since the last report to Council in February 2014: a new governance structure had been implemented along with improved ethical review processes; strengthened support for operational management; better management of training; and more effective internal and external communications. On 27th June the Home Office had notified the College that it had appropriately addressed all the requirements of the Home Office compliance notice, meaning the Home Office had formally accepted Imperial's Action Plan, and had asked for a further progress report from the College next February.
6. On 2nd July the Animals in Science Committee, an advisory committee of the Home Office, had published its report on lessons learnt for the sector arising from the Brown Review and the Home Office's own investigation into the College. The ASC review had been intended to provide lessons for the sector as a whole, and the ASC Working Group had declined an offer, made via the Home Office, to meet with the College to discuss the review. Nevertheless, Imperial had featured prominently in the report. Two out of the nine recommendations were specifically addressed to Imperial, in addition to one addressed to the Minister recommending that he should '*consider whether he can continue to have confidence in the current ELH [Establishment License Holder] at ICL retaining this role*'. Disappointingly, no reference at all was made in the Report to the Colleges' public Action Plan to address the Brown recommendations, nor to any of the significant changes and improvements that had been made at the College since then.
7. Following discussions with the Minister responsible, Norman Baker, and with senior members of the College and the Chair of Council, the College Secretary, John Neilson, had agreed to step down as ELH. Professor Stirling had agreed to become interim ELH while the College considered a more permanent arrangement. This response had been received positively by the Home Office and, in a written Ministerial statement published on Thursday, 10th July, the Minister had noted that '*significant progress has already been made by ICL in addressing the matters identified*'. Professor Stirling then paid tribute to the strong leadership that John Neilson had shown as ELH, particularly following the publication of the Brown Report. He had led the ongoing programme of changes, and had provided a clear sense of strategic direction for the institution at a challenging time for everyone involved in animal research at the College.
8. Looking forward, Professor Stirling said that a note setting out these changes had been circulated yesterday to Imperial's animal research community and to members of the Council. The message had also been communicated to key external stakeholders, and a

story published on the College website. Press and social media interest in the story had been modest. In the meantime, the College would continue with the programme of work which had been started earlier this year, and which was intended to position Imperial College as a world-leading institution for animal care and husbandry. While this had been a challenging week, the steps taken should ensure that the College could move forward as planned. The Council expressed its gratitude to John Neilson and confirmed its confidence in him as Clerk to the Council and College Secretary, but agreed that the College had taken the appropriate steps given the circumstances.

9. Moving on, Professor Stirling reported on the establishment of the KPMG Centre for Advanced Business Analytics in the Business School, which involved a £20m investment from KPMG. The opening of the new Centre had been supported by a statement by the Minister for Universities, the Rt. Hon. David Willetts MP, and was testament to the strength of the College's new Data Science Institute.

THE 2014/2015 BUDGET AND PLAN SUBMISSION (PAPER A)

10. The Chief Financial Officer, Mr Sanderson, presented Paper A and drew the Council's attention to the five separate sections. Section A set out the financial strategy for the five different elements of the University: Imperial College, the Core University, Related Ventures, the Endowment, and Imperial West. The financial strategies for each of these elements were designed to support the core university mission to provide excellent research and teaching. The related ventures stemmed from the need to diversify sources of surplus, and there was now a need to start tracking these as separate businesses. Section B was a summary of the proposed 2014/15 budget and plan for the Core University. Next year separate budgets would be produced for Related Ventures. This was also the first year that income and expenditure had been explicitly linked with the Capital Plan, which was set out in Section C. Mr. Sanderson confirmed that the Capital Plan was recommended by the Provost, taking into account College-wide priorities. Professor Stirling acknowledged that some of the College's aspirations were currently unfunded. For some of these the College was confident that funds would be raised for over the next few years. However, some projects were not attractive for external fundraising and would be more challenging for the College.
11. The Council noted that the Core University continued to generate a sound level of underlying cash but not at a level that supported the aspired capital investment programme. It was agreed that the Council should consider the strategic issues arising from the variable capital contributions by individual faculties, and the shift from dependency on government funding to private sector funding at a future meeting. The Council also requested long-term financial plans for Imperial West and the College as a whole to illuminate long-term strategic priorities and their funding requirements. The Council also asked to be provided with financial information for GradPad and the other

related ventures, although it was recognized that this information might be rudimentary to start with.

12. Turning to the proposed EIB loan, which was set out in Section C, Mr. Sanderson reminded members that this was required for infrastructure investment at Imperial West. The proposal had been discussed in detail by the Syndicate. Mr. Sanderson confirmed that, although permission was being sought from the Council to draw down the loan, no spending would occur until appropriate mechanisms for control and tracking had been put in place. He noted that the loan represented a good opportunity for the College. Finally, Section E presented the College's formal submission to HEFCE of its financial forecasts, set out in the format mandated by HEFCE.

Resolved:

- a. **That the Budget for 2014-15, as set out in Paper A, be approved.**
- b. **That the Capital Plan for 2014-14, as set out in Paper A, be approved.**
- c. **THAT the Council, having considered:**
- (i) the terms of the finance contract proposed to be entered into by the European Investment Bank and the College (the "Finance Contract") (the most recent draft of which had been tabled at the meeting);**
 - (ii) the transactions contemplated by the Finance Contract; and**
 - (iii) the recommendation of Cabinet as set out in paper A,**

Considered the entry by the College into the Finance Contract to be in the best interest of the College, and:

- (i) RESOLVED that the College's borrowing limit be increased from £175 million to £315 million;**
 - (ii) RESOLVED that the proposal that the College borrow up to £140 million from the European Investment Bank for the purposes of the Project (as defined in the Finance Contract) be approved;**
- d. **RESOLVED that the terms of, and the transactions contemplated by, the Finance Contract and any ancillary or related documents:**
- (i) be approved; and**

- (ii) that the College executes or signs (as appropriate) the Finance Contract and any ancillary or related documents (including, without limitation, any Disbursement Request (as defined in the Finance Contract), any certificate required to be given by the College under the Finance Contract, any evidence of compliance with the financial covenants set out in the Finance Contract and any other document referred to in, or incidental or related to, the Finance Contract or the transactions contemplated by the Finance Contract) (together, the “Documents”);
- e. DELEGATED AUTHORITY to any one of Mr. Muir Sanderson or Mr. John Neilson on behalf of the College to approve the final terms of the Finance Contract including, without limitation, to agree such amendments, variations or modifications to the current draft of the Finance Contract as he may in his absolute discretion think fit and to do all acts and things which he considers is desirable, necessary or appropriate in connection with, to give effect to and/or incidental to the Finance Contract;
- f. DELEGATED AUTHORITY to any one of Mr. Muir Sanderson or Mr. John Neilson on behalf of the College to reserve, determine and approve all matters relating to or arising in connection with the Finance Contract, including (but not be limited to) (i) exercising any rights or discretions conferred on the College under the terms of the Finance Contract, (ii) the approval of all agreements, deeds and documents as Mr. Muir Sanderson or Mr. John Neilson shall consider necessary or desirable in the interests of the College in connection with the Finance Contract and (iii) approving all instructions to professional advisers and authorising the despatch of any documents or certificates to any relevant parties in connection with the Finance Contract;
- g. AUTHORISED any one of Mr. Muir Sanderson or Mr. John Neilson to sign on behalf of the College any of the Documents required to be executed under hand only; and
- h. AUTHORISED Mr. Muir Sanderson and Mr. John Neilson to jointly execute on behalf of the College any of the Documents required to be executed as a deed by jointly signing any such Documents and affixing the College seal thereto.
- i. That the HEFCE Annual Accountability Return 2014, as set out in Paper A, be approved.

ACADEMIC RELATED DEVELOPMENT UPDATE – BABRAHAM CAMPUS OPPORTUNITY (PAPER B)

- 13. Mr. Sanderson presented Paper B. He reminded members that the Babraham Campus project had been discussed at the last Council meeting. This was an opportunity to expand ThinkSpace beyond Imperial West and diversify the College’s investment in related income generating activities.

Resolved:**The Council, having considered the detailed proposal:**

- a. **Approved the Babraham Project, with a total investment from College capital funds of £12M, as set out in Paper B; and**
- b. **Delegated authority to Mr. Muir Sanderson and Professor David Gann on behalf of the College to agree and enter into all and any documentation and agreements as they in their absolute discretion consider are desirable, necessary or appropriate for the College to deliver the Babraham Project.**

PRESENTATION ON THE STAFF SURVEY RESULTS

14. The Director of Human Resources, Mrs. Louise Lindsay, gave a presentation on the College's second all staff survey, the first survey having been conducted in 2011. Following Council's suggestion, benchmarking data had been provided for some questions and Campus roadshows to disseminate the results to staff had already begun.
15. Overall the survey results were positive with 89% or more of respondents stating that they were 'proud to work for the College', 92% agreeing 'the reputation of Imperial is strong' and 79% 'would recommend Imperial as a good organisation to work for'. Staff also recognised the progress made by the College in recent years in promoting equality and eliminating discrimination and 93% were confident 'the College took the necessary steps to ensure safety in the workplace'.
16. The College had benchmarked its results and Imperial ranked higher than all other UK universities for 10 of the 12 benchmarked questions. When the comparison was extended to all companies, including private sector organisations, Imperial ranked first for 15 out of 29 benchmarked questions and in the top three for 23 out of 29 questions.
17. There were still some areas of concern and work has already begun to address some of these areas. More than a fifth of respondents were dissatisfied with the volume of work they had to complete, the influence they had over changes affecting their job and the recognition for their achievements. A fifth also did not feel confident about expressing their views and opinions without fear of negative consequences. Other areas to score relatively poorly were annual appraisals and the fairness of pay decisions. There was also little change in the numbers who said they had experienced discrimination, harassment, and bullying. Additional questions in this survey showed that this was experienced from colleagues as well as line managers.
18. Council asked if there had been any questions on working with students. Although many

respondents would not have contact with students as part of their roles, a lack of due recognition for teaching had been raised at the Q&A sessions as part of the campus roadshows. The 'teaching family' group of staff in general also showed lower levels of satisfaction than other staff groups. The relatively low response rates for Medicine were also noted and it was reported that attendance at the campus roadshows at the medical campuses had been lower than elsewhere.

19. The College was developing an action plan to address the survey results, including a programme to signpost more clearly who staff could take any concerns to. Department-specific results were being disseminated and local action plans would be published and tracked online. The Council noted that, while the survey and benchmarking data was reassuring, the College should not become complacent and should still strive to improve.

PROPOSALS FOR THE AWARD OF HONORARY DEGREES AND THE IMPERIAL COLLEGE MEDAL (PAPER C)

20. The Clerk, John Neilson, presented Paper C and commended the recommendations for College awards to the Council.

Resolved:

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

SENATE REPORT (PAPER D)

21. Mr. Neilson presented Paper D. He advised members that the proposed changes to the Regulations for Students reflected the Office of Fair Trading's recently published advice that HEIs should not impose academic sanctions as a method of penalising non-tuition fee debts, and an institutional move towards making the recording of lectures standard practice.

Resolved:

That the Regulations for Students, as set out in Paper D, be approved with effect from the academic session 2014-2015.

DATES OF FUTURE COUNCIL MEETINGS (PAPER E)

22. Mr. Neilson presented Paper E.

Resolved:

That the dates of future Council meetings, as set out in Paper E, be approved.

PROPOSAL TO PURCHASE THE FORMER SOUTH KENSINGTON POST OFFICE BUILDING (PAPER L)

23. The Dean of the Faculty of Engineering, Professor Jeff Magee, presented Paper L, which had been circulated to members as a late paper. He reminded members that the College wished to house a new School of Design Engineering in the former post office building adjacent to the Science Museum. Following extensive negotiations, the Science Museum had now indicated that it would accept an offer of £30m for the site, including an additional 1000m² space than originally offered by the Museum. As part of the agreement, the Science Museum would vacate most of the space within 18 months and the Smith Centre within three years. The plan was then to refurbish the building incrementally, beginning with the top floors. It was thought this would be an attractive prospect for fundraising as there would be naming opportunities. It was intended that the proposed Dyson School of Design would open to students in October 2015, in advance of its move to the new building. Professor Magee thanked the Chair, President and Provost for their support, and noted the important contribution of others in concluding the negotiations, including the 1851 Commission.
24. The Chair congratulated the College on the progress made in securing this opportunity.

Resolved:

- (i) **That the acquisition of the Post Office Building from the Science Museum be approved; and**
- (ii) **That the President be given delegated authority to complete the purchase of the Post Office Building at a price not exceeding £30m.**

FINANCIAL MANAGEMENT REPORT (PAPER F)

25. Mr. Sanderson presented Paper F.

ENDOWMENT REPORT (PAPER G)

26. The Chair of the Endowment Board, Mr. Newton, presented Paper G and noted in particular the recent placing of 37.5m new shares in Imperial Innovations, which had raised

£150m in capital for the Company. As previously discussed with the Council, the Endowment had elected not to take up its Rights in the Placement, but had taken the opportunity to place just over 2.5m shares raising £10m for the Endowment. He also reported that the Board would undertake a strategic review at its next meeting.

27. The Chair requested that a discussion on the handling of inventions and IP by the College in the long-term be scheduled for a future meeting of Council.

EQUAL OPPORTUNITIES AND DIVERSITY ANNUAL REPORT (PAPER H)

28. Professor Stirling presented Paper H and commended the report to the Council. The Council noted the progress made to date, and endorsed the recommended priorities for action in 2014-15.

HEALTH AND SAFETY ANNUAL REPORT (PAPER I)

29. Mr. Neilson presented Paper I.

STAFF MATTERS (PAPER J)

30. Paper J was received for information.

MAJOR PROJECTS REPORT (PAPER K)

31. Paper K was received for information.

ANY OTHER BUSINESS

32. The Chair advised members that this would be several members' last meeting as members of the Council. She asked that the Council's thanks to each of the following members be recorded in the Minutes:

Mrs. Philippa Couttie;

Mr. David Goldsmith;

Professor Sir Keith O'Nions;

Ms. Kate Owen.

NEXT MEETING

33. The Chair reminded members that the date of the next meeting was Wednesday, 1 October 2014.