

## **MINUTES OF THE PROCEEDINGS**

**at the Forty-third Meeting of the**

### **COUNCIL OF THE IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE**

The Forty-third Meeting of the Council was held in the Ballroom, 58 Prince's Gardens, South Kensington Campus at 1:30 p.m. on Friday 18 September 2015, when there were present:

Sir Philip Dilley (Chair), Professor N. Alford, Professor A. Anandalingam, Mr. C. Brinsmead, Dame Ruth Carnall, Mr. J. Cullen, Professor A.P. Gast (President), Professor Dame Julia Higgins, Ms. J.R. Lomax, Professor J. Magee, Mr. J. Newsum, Mr. S. Newton, Mr. M. Sanderson, Ms L. Sandon-Allum, Professor G. Screatton, Professor J. Stirling, and Mr. J. Neilson, the Clerk to the Court and Council.

#### **Apologies**

Mr. I. Conn and Professor T. Welton.

#### **In attendance**

Professor M. Dallman (for minutes 15 to 17 only), Mr. N. Roalfe and Mr. M. Lytrides (for minutes 20 to 21 only), and Mr. J.B. Hancock, the Assistant Clerk to the Court and Council.

#### **WELCOME**

The Chair welcomed Lucinda Sandon-Allum, the new Imperial College Union President, who was attending her first meeting of the Council and Professor Neil Alford, the newly elected staff member, who was also attending his first meeting of the Council.

#### **MINUTES**

##### **Council – 10 July 2015**

1. The Minutes of the forty-second meeting of the Council, held on Friday 10 July 2015, were taken as read, confirmed and signed.

#### **MATTERS ARISING**

2. The Chair reminded members that it had been agreed that the purpose and future role of

the Court should be considered at a future meeting, and he asked for a paper on this to be prepared for discussion at the Council's next meeting in November. With this exception, he reported that all the other matters arising had been completed or were in hand.

### **CHAIR'S REPORT**

3. The Chair updated members on progress with the recruitment of new external members of the Council. Interviews had now been arranged with all of the prospective candidates agreed by the Council, and he hoped that by the next Council meeting there would be a clear picture of which of these candidates would be able to take up appointment as an external member of the Council.
  
4. The Chair then reported that the sale of the Teddington Sports Ground to Quantum Group, which had been discussed at the last Council meeting, had been completed on 28 August 2015. Quantum Group was a specialist developer and operator of care and retirement living property. In accordance with its responsibilities as a charity Imperial had sought to obtain the best possible terms of a sale in order to support its objectives as a university; and he said that the proceeds would now be used to support better facilities for Imperial's students. All existing obligations and covenants relating to the land had passed unchanged to the buyers, Quantum Group, who had stated that they intended to deliver a "mixed-use development" involving retirement living, but with most of the site regenerated for sporting and community facilities. When the sale was announced on 28 August, the College had written to local respondents to inform them of the change of ownership.

### **PRESIDENT'S REPORT**

5. The President noted that she had now been in post for a year, and gave the Council her perspective after her first year in office. Although Imperial was in a tremendous position because of its research excellence, student demand and the opportunity afforded by the land, collaborators, donors and Council, she said she had become increasingly concerned about government funding and the potential conflict between supporting excellence and promotion of regional agendas, which could disadvantage universities in London and the South East. As examples she cited the reduction in research funding despite the College's excellent results in the REF, and HEFCE's decision not to award funds to the College from the Research Partnership Investment Fund, despite the acknowledged strength of the College's bid, and its success in raising philanthropic funds. The revisions to formulas and funding mechanisms that were designed to increase support for humanities and social sciences to the detriment of science and medicine were also a concern. Public perceptions of the "haves and have-nots" could also be damaging for communities and universities, as could the increasing worldwide trend towards nationalism and isolationism, particular for universities such as Imperial, which had a global reach. Collaboration was growing and becoming more

fruitful than ever, and the College's value to the world continued to rise; however, competition from China and elsewhere was also increasing, but the President was confident in the College's ability to deal with these issues.

6. The President then said she would be writing a communication to the community in October, and that she would in future give an annual address in March and provide a written communication in October. Her message would stress the value of fundamental discovery, rather than following ephemeral trends. In line with the new Strategy, she would also encourage the College community to have the courage to take academic risks through starting new areas of research, before it was known whether funding or acclaim would follow.
7. The President then reported on her recent visit to China, which had also involved a delegation of academics, administrators and staff members from the College's international, enterprise and advancement departments. The programme included private meetings and alumni and friends events in Beijing and Hong Kong, and the President had met with government leaders, business leaders, alumni, friends, media and the UK Embassy staff.
8. The World Economic Forum (WEF) was eager to have Imperial College London academics more involved in their programmes, and the President and eight other College members had attended the New Champions event (also known as the "summer Davos") in Dalian, China. Four of Imperial's academics presented an IdeasLab on Synthetic Biology at the event, which was praised as "the best IdeasLab" yet. Professor David Klug also spoke in a panel on hyperconnected health care, and the President spoke on a panel on relations between universities and industry. The President was also one of a small group of ten that met with Premier Li Keqiang, who spoke about the financial markets and China's focus on "mass entrepreneurship and innovation in the Internet age". She also met with the Vice Minister of Science and Technology, Cao Jianlin, who spoke about the need for fundamental research and China's capabilities in research. He was very supportive of further collaborations and partnerships with Chinese universities, but the President noted that China would no longer fully fund partnerships with Western universities, as it had in the past. Partner institutions would in future be expected to make a financial contribution.
9. Reflecting on her visit, the President said that China was still in a state of great change and was investing in higher education; R&D investment was also up fourfold in 10 years. The shift to a focus on entrepreneurship and innovation had created a great deal of energy and was driving a lot of activity, and the private sector had grown dramatically and their share of global exports had risen. She suggested that trying to shift the culture to one of risk-taking and entrepreneurship, while also having the patience to seek new discoveries and pursue fundamental research, would be a challenge for China. On the other hand, its sheer size and scale would make a lot possible. The focus on entrepreneurship as the new path to growth for China also had ramifications for the College; she reported that the Chinese were interested in investing in College IP and in partnerships to commercialise IP in China. The

College was carefully evaluating its China Strategy and would inform Council of its plans as they developed.

10. Members queried the Chinese interest in commercialising IP, as these rights had been notoriously difficult to enforce in China in the past. The President said that the Chinese President had changed some policies with respect to IP, and it would have to be seen how the culture and practices evolved going forward. She was also asked about China's HE provision. Capacity had been growing for a decade, and there was an intention eventually to provide for everyone at their own universities. The appetite for foreign universities to establish campuses in China had also diminished; the focus was now very much on collaboration.

### **PROVOST'S REPORT**

11. The Provost, Professor James Stirling, reminded members that the Provost's Board had commissioned a review of the application of academic staff performance metrics within College. The review was being led by Professor Stephen Richardson and had commenced with a college-wide consultation exercise. Over 200 responses had been already been received, with a wide range of views represented. The review group would report back with recommendations by the end of the year.
12. The College had received the results of the National Student Survey (NSS) at the beginning of August. The results were broadly positive, with a modest increase in the level of the College's 'overall satisfaction' (the most commonly used benchmark), which resulted in a rise of 15 places to 46 out of 157 institutions. This placed Imperial above the majority of its competitors, including LSE, UCL, Kings and Oxford. However, the overall figures masked some variation at Faculty level, and the College's performance in the 'assessment and feedback' category remained disappointing. The results and the faculty action plans would be discussed in detail by the Provost's Board, and at the Council later in the academic year.
13. This was also the time of year when the league tables were published. The international QS rankings, which placed Imperial 8<sup>th</sup>, had been published earlier in the week, and a new League Table of the most innovative universities in the world published by Reuters had named Imperial as 11<sup>th</sup> in the World and top in Europe. In the next ten days the Sunday Times and the Times Good University Guide rankings would also be published, as would the Times Higher Education ranking. Each of these tables used different criteria, and the Strategic Planning division looked at the results of each in detail to analyse why the College's position had improved or worsened. Professor Stirling offered to share these analyses with the Council once they had been completed.
14. Closing his report, Professor Stirling said that Professor Sue Gibson had agreed to act as the Acting Vice-Provost (Education) when Debra Humphris leaves in November, and that

Professor Neil Alford had also taken up post as Acting Vice Provost (Research) from the beginning of September. The search for permanent successors to Professor Bradley and Professor Humphris was underway.

### **THE COLLEGE'S RELATIONSHIP WITH THE FRANCIS CRICK INSTITUTE (PAPER A)**

15. The Associate Provost (Academic Partnerships), Professor Maggie Dallman, presented Paper A and gave members a presentation on the Francis Crick Institute. She reported that the completion of the building had been delayed and was not now expected until mid-2016 at the earliest. There was also a concern about how the Institute could cover its projected operating deficit. The College had just been informed of a request from Crick that the HEIs, Imperial, King's College and UCL should each make an additional 'strategic contribution' of £1m per HEI per annum, to help meet its annual running costs and reduce its deficit.
16. It was noted that the College and the other HEIs had already invested £40M each into the Crick's capital costs. It was suggested that the College should not agree to make an additional contribution to the Institute's running costs without a commitment from the Crick that these would be brought under control and that the Institute would become financially sustainable; the College could not agree to provide the Institute with a blank cheque each year. As part of that process, it was suggested that the Crick would have to look at the staffing levels it had inherited from its predecessor organisations, and also consider alternative funding options, including the generation of additional philanthropic and commercial income. It could not rely on its university partners continually to fund any structural gap. It was suggested that the universities could use their expertise to assist the Institute in developing a strategy to address its funding problems.
17. The Council recognized that the College's participation in the Francis Crick Institute provided fantastic opportunities for scientific collaboration, and that it was in the College's interests to be one of the Institute's founding partners. However, it was suggested that the Government's increasing focus on the creation of top-down institutes and the expectation that universities collaborate through these institutes might be to the long term detriment of the university sector. Institutes of this type were the primary focus for research funding in Russia, Germany and France, and this had served to diminish the role and prestige of their universities. There were clear lessons in this for the UK, particularly when these institutes would be competing for funding with the universities. UK universities were amongst the best in the world, and it would be a mistake for the Government to adopt a policy to promote institutes that was detrimental to the university sector.

**ACTIONS ARISING FROM THE JULY COUNCIL MEETING DISCUSSION ON THE COLLEGE'S FINANCIAL PLAN (PAPER B)**

18. The Chief Financial Officer, Mr. Sanderson, presented Paper B, which was intended to address some of the issues raised in the discussion of the College's Financial Plan at the last Council meeting. One of the primary reasons for the College generating a larger than budgeted surplus each year was the delay in recruiting suitably qualified research staff on research funding grants. Although the College regularly outperformed its budget, it should be recognised that the level of surplus each year was declining and this would have to be addressed by the College and the Council. He expected the benefits of operational excellence would start to be realised in the coming year, although this was likely to be reflected in staff costs rising more slowly than income, rather than in cost reductions. With regard to performance indicators, he suggested that it would be more fruitful for the Council to seek answers to the three questions on cash generation, related ventures and liquidity set out in Paper B, rather than looking at formulaic KPIs.
19. It was noted that the capital investment for related ventures at the White City Campus could be substantial. It was suggested that, at the very least, these should be cost-neutral for the College, and if possible, should eventually generate additional revenue. Mr. Sanderson confirmed that the White City Syndicate would be considering related ventures in the New Year, prior to bringing forward proposals to the Council in February. This would be one of the issues for the Syndicate to consider.

**THE CONDITION OF THE COLLEGE'S ESTATE – SOUTH KENSINGTON CAMPUS (PAPER C)**

20. The Director of Facilities Management, Mr. Nick Roalfe, and the Director of Estates Projects, Mr. Michael Lytrides, joined Mr. Sanderson to present Paper C. They noted that as the refurbishment programme progressed, the proportion of the College estate that was both in excellent condition and functionally suitable increased. This was the result of both the capital investment programme, and the annual refurbishment programme. They also clarified that the sections of the estate classified as 'inoperable' were those where there was a serious risk of failure or breakdown; it did not mean that these sections could not currently be used.
21. Members welcomed the report on the South Kensington Campus, but asked that a similar exercise be conducted on the College's other campuses as it would be difficult to assess the priorities for refurbishment unless the College had a clear understanding of all the parts of its estate for which it was responsible.

**LONG-TERM SCENARIOS: A FIRST CONSIDERATION (PAPER J)**

22. The President tabled a revised version of Paper J and explained that this was intended as preparatory work for the Council's Away Day in February 2016, when it would discuss these long-term scenarios in more detail. She asked the external members to contribute to the development of the outline scenarios in advance of the Away Day.
23. It was suggested that an alternative, and less optimistic, scenario for the London context might be considered. If the UK left the EU, this could lead to a greater insularity and a risk that the UK would be less attractive to global talent, reversing the trends of the last twenty years. The College would need to consider how it might respond to such changes. It was also suggested that the College should consider how it would respond to further dramatic changes in the funding environment, and whether it would need to consider international collaborations and even mergers to protect its position. Finally, it was suggested that climatic and demographic changes over the next few decades could have a dramatic impact on the world.
24. Members agreed that a wide range of scenarios and issues had been identified, and endorsed the approach that had been suggested. The President was asked to arrange for working groups to meet to develop each of the scenarios in advance of the Away Day. External members were asked to volunteer for each working group.

**AMENDMENTS TO THE OBJECT OF CHARITABLE TRUSTS (PAPER D)**

25. The Clerk, Mr. John Neilson, presented Paper D. The College had obtained further legal advice on the application of equalities legislation. He confirmed that, if a potential donor expressed a preference to restrict the benefit of a donation to applicants on the basis of a characteristic protected under the Equalities Act, the College could explore the exceptions available under the Act where it was proportionate to do so. The Council accepted the revised advice set out in Paper D.

**Resolved:**

- (i) **That it is expedient and in the interests of the College to remove the discriminatory eligibility criteria in the Trusts, as set out in Schedule 1 of Paper D, on the basis that the College risks being in breach of the Equality Act 2010 if it continues to select students on the basis of the existing eligibility criteria imposed by those Trusts and/or that the evidence that would need to be collated and considered in order for the College to be satisfied that it was possible to justify the use of an exception in the case of scholarships restricted to mature students, restricted on the basis of a residency requirement or a requirement connected to a geographical area involves a substantial amount of work that is not justified, and given the legal uncertainty on the interpretation of the available**

exceptions it is likely that some legal risk would in any case remain of a challenge under the Equality Act 2010.

- (ii) That the College Secretary & Registrar be given delegated authority on behalf of the Council to initiate discussions with the Charity Commission and to agree a scheme with the Charity Commission to remove the discriminatory eligibility criteria relating to the Trusts set out in Schedule 2 of Paper D.

#### **ENDOWMENT REPORT (PAPER E)**

26. On behalf of the Chair of the Endowment Board, Mr. Nick Moakes, Mr. Sanderson presented Paper E.

#### **IMPERIAL WHITE CITY SYNDICATE REPORT (PAPER F)**

27. The Chair of the Imperial White City Syndicate, Jeremy Newsum, reported that the Syndicate was conducting a tender exercise to identify external consultants to assist it in masterplanning for the White City site.

#### **ADVANCEMENT REPORT (PAPER G)**

28. Paper G was received for information.

#### **STAFF MATTERS (PAPER H)**

29. Paper H was received for information.

#### **MAJOR PROJECTS REPORT (PAPER I)**

30. Paper I was received for information.

#### **ANY OTHER BUSINESS**

31. **Royal Albert Hall**. The Chair advised members that the Council of the Royal Albert Hall Trustees included a position for a member of the Council appointed by the Council. For many years this position had been filled by senior members of the College, most recently by the College Secretary & Registrar, John Neilson. However, as he was not formally a member of

the Council, the Royal Albert Hall had asked the College to reconsider its appointment. The Chair proposed that the Provost, Professor James Stirling, be appointed to this position.

**Resolved:**

**That the Provost, Professor James Stirling, be appointed as the member of the Council of the Corporation of the Hall of Arts and Sciences appointed by the Council of Imperial College London**

32. **Valete**. The Chair reminded members that this would be Mr. Stewart Newton's last meeting as a member of Council. He asked that the Minutes record the Council's thanks to Mr. Newton for the contribution he had made to the College and the Council, both as a member of the Council and as the first Chair of the College Fund and now the Endowment.

**NEXT MEETING**

37. The Chair reminded members that the next meeting would be held on Friday 20 November 2015 at 10:00 a.m. at the Imperial College Business School.