

## **MINUTES OF THE PROCEEDINGS**

**at the fifty-fourth Meeting of the**

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

The fifty-fourth Meeting of the Council was held in the Meeting Room, the Interaction Zone, The Invention Rooms, 68 Wood Lane, White City Campus, at 10:00 a.m. on Friday 24<sup>th</sup> November 2017, when there were present:

Sir Philip Dilley (Chair), Professor N. Brandon, Mr. C. Brinsmead, Ms. A. Compton, Mr. T. Courtauld, Mr. J. Cullen, Professor S. Eisenbach, Professor A. Gast (President), Sir Jonathan Michael, Ms. S. Murray, Ms. A. Nimmo, Dr. M. Safa, Professor J. Sanders, Mr. M. Sanderson, Professor J. Stirling (Provost), Professor F. Veloso, Professor J. Weber, Professor T. Welton, Mr. C. Williams, and Mr. J. Neilson (Clerk to the Court and Council).

#### **Apologies**

Mr. I. Conn.

#### **In attendance**

Mr. P. Eaton and Ms. A. Osman of Allies & Morrison (for items 10 and 11), Mr. G. Stark (Development Director, White City, for items 10 and 11) and Mr. J. Hancock (Assistant Clerk to the Court and Council).

#### **WELCOME**

The Chair welcomed Sir Jonathan Michael and the new Dean of Engineering, Professor Nigel Brandon, to their first meeting of the Council.

#### **ITEM 1 – MINUTES**

##### **Council – 22<sup>nd</sup> September 2017**

1. The Minutes of the fifty-third meeting of the Council, held on Friday 22<sup>nd</sup> September 2017, were taken as read, confirmed and signed.

**ITEM 2 – CHAIR’S REPORT**

2. The Chair advised members that the Remuneration Committee had met before the Council meeting. It had discussed the USS pension scheme, senior staff salaries and the President’s salary, and had also reviewed the College’s gender pay figures. The Committee had also looked at the governance arrangements for benchmarking and agreeing senior staff remuneration, and he noted that the recent press attention on this issue meant universities might soon be required to both publish and justify the salaries paid to its senior members of staff. He also reported that the Committee had reviewed the President’s objectives. These could be made available in confidence to external members of the Council, on request.
3. The President, Professor Alice Gast, said there was increasing pressure for universities to report on all staff who were paid more than the Prime Minister (about £150K). She said there was concern across the sector that the suggestion that university salaries should be restricted to £150K did not take account of the need to recruit excellent leaders if UK Higher Education was to maintain its position as a world leader in research and education.
4. Professor Sanders was asked to report on the Autumn meeting of the Committee of University Chairs (CUC), which he had attended on behalf of the Chair. The CUC had been addressed by Nicola Dandridge, Chief Executive of the new Office for Students (OfS). She had outlined the plans for the OfS, and discussed its new regulatory framework. She had made it clear that the OfS would be entirely student-focused, and regarded the provision of suitably qualified workers for the UK as more important than research. Universities should also have in place suitable governance processes for determining senior staff pay.

**ITEM 3 – PRESIDENT’S REPORT**

5. Opening her report the President, Alice Gast, welcomed the Council to the College’s Invention Rooms, which had been launched on 21 November. The Invention Rooms combined a new approach to community engagement and outreach, alongside cutting-edge research and innovation, and provided a new base for the College’s network of entrepreneurs and inventors from the Imperial College Advanced Hackspace. The College had been able to raise £3.3M from external donors to support the Rooms’ community engagement activities. This highlighted the potential for fundraising at White City with other priorities being the Molecular Sciences Research Hub and a new home for the School of Public Health.
6. Turning to the Away Day in February, the President reminded members that the main topic for discussion would be the College’s people strategy. The main themes for the day would be diversity, leadership, the millennial generation, and the impact of digital. Although the primary focus would be on the College’s staff, the President noted that the Union Officer

Trustees would provide valuable student perspective in the planning. The President asked for volunteers from Council to review material being prepared for the Away Day and undertook to arrange a meeting with the College teams in the New Year.

7. Turning to Brexit, the President said that, while it was pleasing that there had again been no decline in student applications from the EU this year, once the UK had left the EU it was likely that the requirement that EU students would pay overseas student fees would have some impact on EU student numbers. As part of its preparations for Brexit, the College was evaluating the market and how best to mitigate this potential impact.

#### **ITEM 4 – PROVOST’S REPORT**

8. The Provost, James Stirling, reported with great sadness that three student had died since the last meeting of Council. In late September two students about to start their first and second year undergraduate courses respectively had died suddenly at their homes. In early November, a third student who was in the final year of their PhD had also passed away at their home. In all three cases, the College’s overall response, and communication with the families, had been coordinated by the Director of Student Services, Hannah Bannister, and support was also being offered to affected staff and students.
9. The Provost reported on further developments on the USS pension scheme since the last meeting. He reminded members that USS was consulting with employers and the trade union (UCU) on possible changes to the scheme to address its substantial deficit. UCU disputed USS’s technical assumptions, and was now balloting its members in support of industrial action. Although Union membership at the College was relatively low, College staff were concerned about the changes to their pension provision. The College was fortunate that academic staff in the Department of Mathematics had considerable expertise in this area, and were meeting with USS representatives to discuss the underlying assumptions that support the need for change. The Clerk, John Neilson, was also a member of the Joint Negotiating Committee discussing reform with UCU although, as Imperial was only one of more than 100 university members of the scheme, there was a limit to the extent that the College could influence the eventual outcome. Staff were being updated on the latest pensions developments by emails from the Provost, and updates published on the College’s pension webpages.
10. The Provost reminded the Council that the OfS would become the new regulator for the Higher Education sector from April 2018. The OfS was set to replace HEFCE and the Office for Fair Access, as part of the new regulatory framework which was due to come into being from 1 April 2018. The Government was currently consulting on the new regulatory regime, and the College had been considering its likely impact. The changes proposed by Government represented a dramatic change in the regulatory environment. Whereas HEFCE

currently regulated 132 HE institutions, the OfS would regulate around 750, including a large number of FE colleges. The rhetoric in the public statements suggested that OfS would take a much tougher line than HEFCE had, with an increasing emphasis placed on diversity and the student experience. As part of the new regulatory framework, institutions would be required to submit a large amount of detailed data that would require a considerable institutional effort to collect and submit efficiently. More positively, Imperial's new Teaching and Learning strategy aligned closely with the new regime's stated concerns about placing students at the heart of their education with a strong emphasis on diversity and inclusion. Confirmation of the new arrangements was expected in the New Year, and the Provost undertook to report back to Council once these were known.

#### **ITEM 5 – WHITE CITY SYNDICATE REPORT (PAPER A)**

11. The Chair of the White City Syndicate, Alison Nimmo, presented Paper A and said that the masterplanning application for White City, which was due to be submitted to the local authority in December, would provide the College with a flexible framework for the further development of the site. The Syndicate recognised that this would be a multi-decade project, and the inclusion of meanwhile use for parts of the site would be an important factor in developing a vibrant ecosystem for the Campus. To this end, the Syndicate had very carefully scrutinised the proposals for a Joint Venture with a local organisation Blenheim Chalcot to provide for an initial meanwhile use development. Having reviewed both the planning and financial aspects of the proposal in close detail, she confirmed that the Syndicate gave a strong recommendation that the proposals should be approved.
12. The Syndicate had also looked at the wider development of the White City area, and had held a very positive meeting with the College's immediate neighbours in White City, Stanhope and St James, which had focused on the transformation of the White City area and issues of joint concern, such as transport links, accessibility, and traffic flows on Wood Lane. All three had agreed to collaborate on finding mutually beneficial solutions on these issues.
13. Closing her report, Ms. Nimmo said she was also reviewing the remit and membership of the Syndicate with the President and the Chair, to ensure that the Syndicate's governance arrangements were appropriate, and its responsibilities aligned with those of the new Finance Committee. As the development of the Campus moved from the planning phase to implementation, it would also be important to make sure that its members had the skills and experience necessary to provide appropriate oversight, while also providing support and guidance for the College team.

**ITEM 6 – FINANCE COMMITTEE REPORT (PAPER B)**

14. The Chair of the Finance Committee, Chris Brinsmead, introduced Paper B. The Committee had considered three proposed capital projects in detail. The first, the creation of a new research facility for the MRC London Institute of Medical Sciences to which the College was contributing £25M, was approved under the Committee's delegated authority. The other two projects, the meanwhile development at White City and the construction of a new undergraduate hall of residence at Wales Farm Road in North Acton, were both over the limit of the Committee's delegation and were therefore recommended to the Council for approval.
15. The Committee had also considered the financial aspects of the meanwhile development very carefully, and had recommended approval subject to further due diligence being conducted on the proposed partners, Blenheim Chalcot, and confirmation that the balance between risk and reward for the College and Blenheim Chalcot was appropriate. The Chief Financial Officer, Mr. Sanderson, reported that further due diligence had been undertaken since the Committee meeting. He also confirmed that the debt rates had been benchmarked, and were consistent with the market rate, so Blenheim Chalcot were not receiving preferential treatment. Mr. Toby Courtauld and Ms. Sara Murray both reported positively on Blenheim Chalcot.
16. It was queried whether anything in the agreement precluded the College from swapping this debt for standard bank debt at some point in the future. Mr. Sanderson agreed to check this point, but said that it would be highly unlikely to be in the College's interests to do so.
17. Turning to the Wales Farm Road development, Mr. Brinsmead reminded members that in 2016 the College had acquired 1.8 acres in North Acton for the construction of a new undergraduate hall of residence. Formal sign-off from Ealing Council and the GLA for planning consent had now been received, and it was now proposed to commence construction of the new hall of residence with 722 bedspaces alongside two residential buildings providing 85 apartments for key workers and market rental, at a total cost of £98M.

**Resolved:**

- (i) **That the Meanwhile Development Scheme at the White City Campus, as set out in Paper B, be approved in principle, subject to the following conditions:**
  - a. **That appropriate and sufficient due diligence on the reputational and covenant risks associated with Blenheim Chalcot be undertaken.**
  - b. **That the debt provided to the Joint Vehicle is provided at a market rate that is reasonable for the risk.**

- c. **That no parties involved in the Joint Vehicle have access to preferential lease terms compared to the market.**
- (ii) **That authority to approve on behalf of the Council the Development Scheme with a commitment of up to £45m, be delegated the Chief Financial Officer once the conditions set out above have been satisfied.**
- (iii) **That the Wales Farm Road Hall of Residence Construction Project, as set out in Paper B, be approved with a total project cost of £98M, subject to construction tenders being less than £87.2m.**

## **ITEM 7 – ANNUAL REPORT AND ACCOUNTS**

### **Annual Report and Accounts for the Year Ended 31 July 2017 (Paper C)**

### **External Auditors' Representation Letter (Paper D)**

### **Annual Report from the Audit & Risk Committee (Paper E)**

18. The Chair suggested that Papers C, D and E be considered together before the Annual Report and Accounts were approved. Presenting Papers C and D, the Chief Financial Officer, Mr. Sanderson, said that both the Accounts and the Representation Letter had been considered in detail by the Audit & Risk Committee at its meeting on 6 November, when it had recommended their approval.
19. Presenting Paper E, the Chairman of the Audit & Risk Committee, Mr. John Cullen, noted that the Internal Auditors had not raised any high level recommendations this year, and almost all of the previous year's high level recommendations had been cleared. The speed with which recommendations were being addressed had also improved this year. The external audit by PWC had been very smooth, and Mr. Cullen paid tribute to the Finance Team led by the Director of Financial Management, Tony Lawrence, for their work in preparing for the audit. Looking forward, he noted that the new General Data Protection Regulations (GDPR) were due to come into force in 2018; the Committee would look at the College's preparations for GDPR at its next meeting in March 2018.

#### **Resolved:**

- (i) **That the Annual Report and Accounts for the year ended 31 July 2017, as set out in Paper C, be approved.**
- (ii) **That the Representation Letter for the External Auditors, as set out in Paper D, be approved.**

**Annual Accountability and Assurance Return for HEFCE (Paper F)**

20. The Clerk, John Neilson, presented Paper F, and reminded members that this was the last year in which these formal returns would have to be made to HEFCE. In future the OfS would be responsible for accountability and assurance across the sector.

**Resolved:**

- (i) That the Financial Commentary Return for HEFCE, as set out in Paper F, be approved.
- (ii) That the Annual Accountability and Assurance Return for HEFCE, as set out in Paper F, be approved.

**ITEM 8 - ANNUAL SUBMISSIONS TO HEFCE****Annual Report on Educational Quality (Paper G)**

21. The Provost presented Paper G, and thanked Professor Sanders for the support and guidance he had provided for the College in preparing and reviewing the annual report on educational quality. He also reminded members that, when last year's report had been considered by the Council, members had asked to be provided with a brief explanation of the external examining system at the College. Paper G included a statement on the important role played by external examiners in the College's quality assurance and enhancement processes, and in maintaining the College's academic standards.

**Resolved:**

**That the Annual Quality Assurance Report for Education Programmes 2016-17, as set out in Paper G, be approved for submission to HEFCE.**

**Annual Prevent Return (Paper H)**

22. The Clerk presented Paper H. This was the second year that universities had been required to report on their compliance with their Prevent duties. The report confirmed that the College continued to comply with its Prevent duties, and also sought to learn from incidents across the sector.

**Resolved:**

- (i) **That the Prevent Duty Annual Report, as set out in Paper H, be approved for submission to HEFCE.**
- (ii) **That the Chair be authorised on behalf of the Council to sign off the statutory declarations contained in the report.**

**ITEM 9 – PROPOSALS FOR THE AWARD OF HONORARY DEGREES AND THE IMPERIAL COLLEGE MEDAL (PAPER N)**

23. The President presented Paper N. She reminded members that recommendations for these awards were now prepared by a separate Honours Committee. This process was working well, and she was particularly pleased this year to present an excellent set of nominations that reflected the diversity of the College and allow the College to honour some outstanding people.

**Resolved:**

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

**ITEM 10 – ESTATES STRATEGY - STATUS REPORT AND EMERGING STRATEGIC THEMES (PAPER I)**

24. Mr. Sanderson presented Paper I, and reflected on the five recommendations that had come out of the Council's last Away Day on the College's Estates Strategy. Now that the College had a masterplan for the White City Campus which was about to be submitted for planning consent, the next priority was to consider the future development of the South Kensington Campus, and how to integrate this with an overall Estates Strategy that supported the College's research and education strategies. While White City would be weighted towards research and South Kensington towards teaching, it was clear that both campuses should provide spaces that were flexible and capable of providing for serendipitous collaboration. In addition to the work undertaken on the future development of the South Kensington Campus, the College was also considering the priorities for medical education and research, and the possible consolidation of these activities onto two main medical campuses.
25. The Chair thanked Mr. Sanderson for his update on the work undertaken since the last Away Day, and said that the Council looked forward to the presentation of a comprehensive Estates Strategy for the College at a future Council meeting.

**ITEM 11 – SOUTH KENSINGTON MASTERPLAN (PAPER J)**

26. Paul Eaton of Allies & Morrison gave a presentation to the Council on the development of a masterplan for the South Kensington Campus, highlighting in particular the three questions that had emerged from the work undertaken thus far:
- a. How could the 'permeability' of the campus be increased, particularly in a north-south direction?
  - b. How could staff and students be encouraged to break out of their silos and explore the whole campus?
  - c. How could the general public be attracted into the campus?
27. Although members of the public often walked through the campus, they rarely engaged with the work of the College. This was an opportunity to showcase the College's excellent work, and to engage with, and enthuse, the public. Just as the White City Campus sought to be at the heart of the local community, there should also be opportunities to enhance the College's public engagement at South Kensington, particularly at the ground level of buildings.
28. It was suggested that it was not always clear that the public was welcome onto the Campus. Many of the buildings had entrance restrictions, and it was also not clear whether members of the public could use the College's catering facilities. Partnerships with well-known, branded outlets could increase the level of interaction, as members of the public would recognise these outlets as being open to all. Similarly, removing the barriers along Imperial College Road, and making the Queen's Lawn more accessible, would make this public space more inviting.
29. If the public was to be invited onto the Campus, the College also needed to be clear about where the public realm ended, as it also had a responsibility to make sure that staff, students and their work was secure. It was also recognised that many of the public areas at South Kensington were unattractive; improving the aesthetics of the public realm would go a long way to making the Campus a more inviting and welcoming space. Given its excellent public transport links, it was suggested that the College could reduce the level of car parking provision on the Campus. This would bring about a major change in the use and aesthetics of the public realm. To this end, it was suggested that the opening up of the Queen's Lawn, and the removal of barriers such as the hedges, could be used as a pilot scheme to encourage greater levels of public engagement with the College. This could also be achieved relatively quickly and at a reasonable cost. The public realm could then potentially be extended to include the ground floor of the Sherfield Building and the Library.

30. Turning to the further development of the masterplan for South Kensington, the Council was advised that there had been some consultation events for staff, and more were planned, including at least one to be held in the Students' Union building. It was vital that the masterplan was developed in conjunction with the Learning and Teaching strategy, and supported the new educational delivery that was central to that strategy. The better and more open use of space at South Kensington was an important part of improving the student experience.

#### **ITEM 12 - IMPERIAL COLLEGE UNION ANNUAL REPORT (PAPER K)**

31. The President of the Imperial College Union, Alex Chippy Compton, presented Paper K. The report reflected another very successful year for the Union. She noted that this was the first report that had been reviewed by the Union's new external auditors, and that they had provided very positive and useful feedback for the Union. Mr. Cullen reported that the Audit & Risk Committee had again received an internal audit report on the Union, and this had been very positive this year.

#### **ITEM 13 – STATEMENT ON MODERN SLAVERY 2017 (PAPER L)**

32. Mr. Sanderson presented Paper L and reminded members that, under the Modern Slavery Act 2015, the College was required to produce an annual statement setting out the steps it had taken during that financial year to establish that slavery and human trafficking was not taking place in any of its supply chains, or in any part of its own business.

#### **Resolved:**

- (i) That the Statement, as set out in the Appendix to Paper L, be approved.**
- (ii) That the Provost be authorised to sign the Statement on behalf of the College.**

#### **ITEM 14 – AMENDMENT TO AND MERGER OF WYE COLLEGE TRUSTS (PAPER M)**

33. The Clerk, Mr. Neilson, presented Paper M. Although the paper proposed the merging of the existing Wye Trusts into two funds, the Centre for Environmental Policy Wye Fund and the Department of Life Sciences Wye Fund, the Chair had instead suggested the creation of a single new Trust fund. It was therefore now proposed to merge the existing funds into a single Trust Fund, the details of which would be agreed by Chair's Action.

**Resolved:**

- (i) The Council, being satisfied that it is expedient in the interests of the trusts for the purposes in question to be modified; and, so far as is reasonably practicable, the new purposes consist of or include purposes that are similar in character to those that are to be replaced, resolves to modify the purposes of the Wye Trusts, as set out in Paper M, subject to the creation of a single new Trust (with the precise proposal being finalised by Chair's Action).
- (ii) The Council, being satisfied that the transfer is expedient in the interests of furthering the purposes for which the original fund was established; and, the purposes of the trust to which the property is being transferred are substantially similar to those of the original trust, resolves to transfer the property of certain Wye Trusts to a single new Wye Trust, as set out in Paper M.

**ITEM 15 – EXHIBITION ROAD (PAPER O)**

34. Paper O was received for information. The Chair advised members that the Royal Commission for the 1851 Exhibition was considering holding a festival for all the Exhibition Road institutions, including Imperial College, in 2019. This will be an expansion of the highly successful Imperial Festival which will become a part of the larger event.

**ITEM 16 - BREXIT (PAPER P)**

35. Paper P was received for information.

**ITEM 17 - PUBLIC AFFAIRS (PAPER Q)**

36. Paper Q was received for information.

**ITEM 18 - COLLEGE BRAND (PAPER R)**

37. Paper R was received for information.

**ITEM 19 - STAFF MATTERS (PAPER S)**

38. Paper S was received for information.

**ITEM 20 - MAJOR PROJECTS REPORT (PAPER T)**

39. Paper T was received for information.

**ITEM 21 - SENATE REPORT (PAPER U)**

40. Paper U was received for information.

**ITEM 22 - ANY OTHER BUSINESS**

41. It was noted that all organisations, including the College, would have to publish gender pay gap data by April 2018, and members asked if the College was making the necessary arrangements for this. The Council was advised that gender pay gap data had been prepared and had been discussed by the Remuneration Committee. It would be published by the College in due course. The Chair asked that the data be circulated to Council members for information in advance of its publication.

**NEXT MEETING**

42. The Chair reminded members that the next meeting would be held on Thursday 22 February 2018, and that it would be followed by the Council Away Day on Friday 23 February 2018, to be held at the Dyson Building, South Kensington Campus.