

## **MINUTES OF THE PROCEEDINGS**

at the

**Thirty-third Meeting of the**

**COUNCIL**

of the

**IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE**

The Thirty-third 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, 20th September 2013, when there were present:

The Baroness Manningham-Buller (Chair), Professor A. Anandalingam, Mr. I. Conn, Professor M.J. Dallman, Mr. D. Goldsmith, Professor Dame Julia Higgins, Sir Thomas Hughes-Hallett, Professor D.P.A. Kelleher, Professor J. Magee, Mr. J. Newsum, Mr. S. Newton, Mr. M. Sanderson, Professor J Stirling, the President & Rector and the Clerk to the Court and Council.

### **Apologies**

Mrs. P. Couttie, Mr. P. Dilley, Professor N. Gooderham, Ms. J.R. Lomax, Ms. K. Owen and the Lord Tugendhat.

### **In attendance:**

The Assistant Clerk to the Court and Council.

### **WELCOME**

The Chair welcomed the Provost, Professor James Stirling, and the new Dean of the Imperial College Business School, Professor Anand Anandalingam, to their first meeting of the Council.

The Chair reported that Professor Nigel Gooderham had been elected as the staff member of the Council in succession to Professor Jeff Kramer. Unfortunately Professor Gooderham was unable to attend this meeting.

### **MINUTES**

#### **Council – 5<sup>th</sup> July 2013**

1. The Chair said that she wished to propose an amendment to minute 13 to reflect better the

Council's discussion of Imperial West. Her proposed amendment was:

*"13. The Council recognised that the cost of developing the whole site would be substantial and that the College would not itself be able to generate all the funds required. It was suggested that significant entrepreneurial activity would be needed alongside the provision of academic facilities in order to create the necessary profit/cash to fund the College's academic vision for Imperial West. Although the College now had control of most of the land between Imperial West and White City, it was noted that the Berkeley Group had now purchased the M&S land adjacent to the College's holdings."*

2. Subject to the incorporation of this amendment, the Minutes of the thirty-second Meeting of the Council, held on Friday, 5<sup>th</sup> July 2013 were taken as read, confirmed and signed.

### **CHAIR'S REPORT**

3. The Chair reminded members that, when she had taken over as Chair two years ago, she had asked for a strategic discussion item to be included at each Council meeting and had also asked members to nominate topics for discussion. The opportunity for wider-ranging discussion that these items had introduced had been welcomed and largely successful. However, in the intervening period the scale of the College's ambitions had increased, particularly with regard to the Imperial West Development, and it was now even more important that the Council was able to act strategically. In this context, she had been considering how best to engage with Council members in full support of the College's plans. She suggested that it might be useful for the external members to have an opportunity to meet on their own and sometimes with the President & Rector and Provost in private. The intention was not to exclude the other internal members, but to provide a forum in which the President & Rector and the external members could have a more frank exchange of views than might otherwise be the case. This could either take place before the full Council meeting, or as a separate meeting, and she sought members' views.
4. It was reported that this was common governance practice in a number of commercial organisations. It was common in those organisations for the Chair to have a Chair's Committee consisting of the non-executive directors only. The CEO could be invited to attend meetings of the Chair's Committee, but was not a member. As the Chair had intimated, the purpose of these meetings was to allow for a more frank, and un-minuted exchange of views. However, such committees usually met separately to the main Board. Where the meetings were held back-to-back there was a risk that the executive members could feel excluded as they would have to wait for the earlier meeting to finish before the full Board meeting could commence. While there was widespread support for the Chair's proposal, the general consensus was that such meetings should be separate to full Council meetings for this reason. Members also suggested that the interactions and discussions with the Deans were an important part of Council meetings and that they would not want the creation of a Chair's Committee to detract from this. The Chair thanked members for their comments and said that she and the Clerk would now consider how best to take this forward, taking account of members' suggestions and advice.
5. The Chair then provided the Council with a progress report on the search for the next President & Rector. Because the President and Provost model was new to the UK, the Appointing Committee

had previously sought to identify candidates with experience of operating this model in an academic organisation (primarily in the US). She suggested that it was now time to widen the search to include potential candidates from a broader background, including the commercial world, but still with an excellent understanding of academia. She confirmed again that the Appointing Committee was focused on identifying an excellent candidate with a global vision who could commit themselves fully to the College. Although this was a challenging brief, she believed that the College should not settle for less. The Council agreed.

6. The Chair also updated members on the Nomination Committee's search for new external members of the Council. Since the last meeting she had written to members with another nomination, which she was pleased to say had been accepted.

**Resolved:**

**That the appointment of Dame Ruth Carnall as an external member of the Council be approved from 1 October 2013 and with a first term of office ending 30 September 2017.**

7. Finally, the Chair congratulated Professor Kelleher on the successful opening of the The Lee Kong Chian School of Medicine (LKCMedicine) in Singapore, where 54 students had just started their first year.

**PRESIDENT & RECTOR'S REPORT**

8. The President & Rector reported that the new governance and management arrangements for the President and Provost were working well. The College Cabinet had met twice and the Provost's Board would shortly hold its first meeting. He and Professor Stirling were in full agreement on the disposition of responsibilities between the two committees. Professor Anandalingam had also joined the College as Dean of the Business School and he hoped that Professor Anandalingam would have an opportunity to update the Council on his plans for the School soon.
9. Turning to Imperial West, the President & Rector reported that the College had completed the purchase of additional land previously agreed by the Council. It now had clear access from the former Woodlands site all the way to White City Tube Station. Developing this large parcel of land would be an ambitious project and, as had been discussed at the last meeting, the Imperial West Syndicate's governance arrangements were being revised to take account of the challenges ahead. Philip Dilley had agreed to join the Syndicate, while three other external members had also been approached about joining the Syndicate. All three had indicated their interest in being involved with the Project. Their participation would be of considerable assistance to the College as it developed the Imperial West programme. It was a mark of the College's prestige and the importance of the Imperial West project to London that the College had been able to attract three such outstanding candidates. However, if the College was to make the most of the skills and experience of these new members, the role and responsibilities of the Syndicate would now need to be very clearly defined, including the extent of its delegations from Council. He expected that the Syndicate would in future operate as a gateway for decisions and progress against project objectives, operating within a broad strategic framework agreed by the Council. Proposals for the Imperial West Syndicate's governance arrangements would be presented to the Council at its next meeting. In addition to this, the College would be recruiting a high level professional project

manager for the Imperial West project. Before this could be taken forward, however, the academic strategy for Imperial West would have to be agreed. This strategy would be paramount in the development of the overall vision for Imperial West. Accordingly, the President's Away Day for Heads of Department on 11 October would have Imperial West as the single topic for discussion; the intention being to identify the optimum configuration for Imperial West to meet the College's education, research and translation and commercialisation aims over the next five to ten years.

10. The President & Rector concluded his report with an update on the College's Development activities. An increase of 25% in the number of donors in the last year was very encouraging, and demonstrated that the College was continuing to make progress in this area, although there was still much to be done. With the Vice President for Innovation and Entrepreneurship, the President & Rector was now preparing an ambitious development plan, which he hoped to present to Council in due course.
11. It was suggested that the potential for development growth was greatest in the area of biomedical sciences, although it would be key to align the College's priorities with funders' priorities if this potential was to be realised. The President & Rector agreed to come back to the Council with future suggestions for how Council members could support the College's development activities.

#### **FINANCIAL STRATEGY UPDATE (PAPER A)**

12. Mr. Sanderson presented Paper A and said that, over the summer, the Finance Division had been considering the College's Financial Strategy in considerable detail. The purpose of this paper was to provide the Council with an update on the latest thinking on the Strategy. He intended to provide the Council with further updates in the future as the Strategy evolved to enable members to consider if they were comfortable with the direction of travel as the College refined its Strategy. Mr. Sanderson said that the data supporting the position set out in the paper was available for any member who wished to see it, and he confirmed that he would expect to set out some of the longer term financial trends at a future meeting.
13. He reminded members that the Planning Round discussions with the Faculties this year had been characterised by a greater degree of transparency about both income and costs. It was clear to all that the capital requirements of each of the Faculties were not at present matched by their ability to generate operating surpluses. The next stage of the debate with the Faculties would be to consider how to address these disparities strategically. This would be a major feature of this year's planning round discussions. The results would be presented to Council in the new year as part of the annual budgeting process. Mr. Sanderson recognised that it was a priority for the College's strategic objectives to shape the budget, rather than the other way round; the changes being introduced to the planning and budgeting processes were intended to meet this aim. Another important issue was cost containment. The College had constrained its central costs in recent years, but there was now a real need for further investment in the support services. Providing for that investment while continuing to manage non-academic costs would only be achieved through remodelling the College's processes from end-to-end. It was recognised that it would take time to achieve this, and that these changes would have to be carefully planned and managed.

**IMPERIAL WEST UPDATE (PAPER B)**

14. The Chairman of the Imperial West Syndicate, Mr. Newsum, presented Paper B.

**ENDOWMENT BOARD REPORT (PAPER C)**

15. The Chairman of the Endowment Board, Mr. Newton, presented Paper C.

**STAFF MATTERS (PAPER D)**

16. Paper D was received for information

**MAJOR PROJECTS REPORT (PAPER E)**

17. Paper E was received for information

**ANY OTHER BUSINESS****Valete**

18. The Chair asked that the Council's thanks to the Lord Tugendhat, whose term of office as a member of the Council was ending on 30 September, be recorded in the Minutes.
19. Mr. Newton asked the Chair if he could address the Council on its future governance arrangements. Since he had joined the Council, both the College and the HE sector in the UK had changed considerably. The previous Rector, Sir Richard Sykes, and Chief Financial Officer, Martin Knight, had overseen significant changes in the College's management and strategies and had done much to make the College more globally competitive. Sir Keith O'Nions, Muir Sanderson and now James Stirling had built on this work and they were continuing to take the College forward and professionalise all aspects of its operations. However, the environment in which the College operated had also changed beyond recognition. It was clear that universities would no longer be able to rely principally on Government funding for teaching or for capital developments. If British universities were to remain globally competitive they would need to be much more commercially astute and would need to develop diverse income streams, including from the commercial sector and from translation. The College also had the additional challenge of developing the Imperial West site, which would be a major undertaking for any organisation. These twin challenges (Imperial West and the general funding environment) meant that that the College and the Council would have to become even more professional and commercially astute than it already was if it was to achieve all the things it wanted to do. In particular, Mr. Newton suggested that the College and the Council would need to have access to people with a broader skill set than hitherto.
20. In Mr. Newton's view, these requirements and challenges would not just impact on the College's professional management, but would also have an impact on the Council's own governance arrangements. He suggested that a greater commitment would be required of Council members

while Imperial West was being developed and that the Council and its committees might need to meet more frequently. He recognised that this might be difficult, but he felt that the College would need to take steps such as these if it was to meet the challenges facing it in the next few years.

21. The Chair thanked Mr. Newton for his comments. Rather than debating them now, she suggested that members should consider carefully the points raised by Mr. Newton.

#### **NEXT MEETING**

22. The Chair reminded members that the next Meeting of the Council would be held on Friday, 22 November 2013 and would be preceded by a Council Dinner on Thursday, 21 November.
23. The Chair then advised members that the date of the following meeting in February had been changed from Friday, 14 February 2014 to Friday, 7 February 2014.