



COUNCIL

Wednesday 4 July 2012

MINUTES

PRESENT:

Sir Stephen Wall (*Chair*)

Professor David Attwell

Ms Anne Bulford (*Treasurer*)

Mr Luke Durigan

Professor Malcolm Grant

(*President and Provost*)

Mr Simon Melliss

Mr Tim Rees Jones

Dr Gill Samuels

Professor Nick Tyler

Professor Maria Wyke

Dr Bob Barber

Lord Clement-Jones

Ms Philippa Foster Back

Mr Rob Holden

Mr Mark Knight

Ms Vivienne Parry (*Vice-Chair*)

Dr Benet Salway

Dr Stephanie Schorge

Baroness Warwick

In attendance: Mr Phil Harding (Director of Finance and Business Affairs—designate); Mr Andrew Grainger (Director of UCL Estates); Mr Adam Harman (Project Director, Drivers Jonas Deloitte / UCL); Mr Rex Knight (Vice-Provost (Operations)); Mr Nick McGhee (Assistant Secretary to Council); Mr John Morgan (lay member of Finance Committee); Mr Tim Perry (Secretary to Council); Mrs Alison Woodhams (Director of Finance and Business Affairs).

Apologies for absence were received from: Ms Katharine Roseveare and Professor Chris Thompson.

Any member of Council who had (or who knew of a family member who had) a material, personal, financial or other beneficial interest in any item on the Agenda was requested to declare that interest at the beginning of the meeting in order that such declaration could be recorded in these Minutes.

Key to abbreviations used in these Minutes:

CSS	Corporate Support Services
HEFCE	Higher Education Funding Council for England
LBN	London Borough of Newham
MRC	Medical Research Council
OFFA	Office for Fair Access
PGT	postgraduate taught programmes
REF	Research Excellence Framework
RFS	Royal Free HSM Pension & Assurance Scheme
SAUL	Superannuation Arrangements of the University of London
UCLU	UCL (students') Union
UFMS	UCL (former medical schools) Pension Scheme
USS	Universities' Superannuation Scheme

Preliminary Formal Business

80 **MINUTES**

Discussion

- 80.1 It was suggested that, at the meeting of 15 May 2012, Council had approved the proposal of the 50:50 Gender Equality Group that a quota of 30% women on all UCL appointment panels be introduced, and that this should therefore be more clearly reflected in the minutes. The Chair noted that he considered the minute as worded to be an accurate reflection of Council's discussion on 15 May, but that the Council had been clear that it expected to see progress on all the matters raised in the Gender Equality Group Report and, for that reason, had asked for this and other issues to be addressed in the Provost's report back to Council later in the year, following discussion with his Senior Management Team.

Approved

- 80.2 The Minutes of the Council meeting of 15 May 2012 [*Council Minutes 66-79, 2011-12*] were confirmed by Council and signed by the Chair.

81 **MATTERS ARISING FROM THE MINUTES**

[see Minute 84 below]

Matters for discussion

82 **UCL BUDGET 2012-13**

Received

- 82.1 APPENDIX C 6/69 (11-12) with Annexe 1 – the UCL Budget proposal for 2012-13.
- 82.2 Oral reports by Mrs Alison Woodhams, Director of Finance and Business Affairs, and the Treasurer (on behalf of Finance Committee).

Reported

- 82.3 This was the first budget to have been prepared on the basis of the three-year planning exercise for faculties and CSS divisions, and the first to include a full year of the School of Pharmacy figures.
- 82.4 Total income was budgeted to rise by £42m, and total costs by £37m, resulting in a £5m bottom line improvement to £19m in 2012-13. Finance Committee, at its meeting on 28 June, had endorsed the

proposed budget.

- 82.5 Council's attention was drawn to the budgeted increase of £40m in tuition fee income, offset by a reduction of £11m in the HEFCE T grant. Research income was budgeted to rise by £4m, the bulk of which represented an increase in overhead contributions rather than direct costs.
- 82.6 The budgeted increase in academic costs of £21m was driven principally by the REF census date of 31 October 2013. This figure also encompassed incremental pay rises and the cost of the annual promotions round.
- 82.7 Corporate Support Services net expenditure was budgeted to rise by £12m on the current year, due to a range of factors including work towards global citizenship and volunteering programmes and the introduction of a new finance system. The 1% savings targets on CSS core budgets would continue, but divisions meeting this target would then be permitted to bid for additional funds to support specific projects.
- 82.8 The Director of Finance and Business Affairs considered the proposed budget to be relatively low risk. The Treasurer noted that, although she would ideally prefer a budget target equivalent to HEFCE's minimum recommended surplus of 3%, the 2012-13 budget reflected a remarkable achievement.

Discussion

- 82.9 Council discussed the increase in PGT fees, noting that the increase now proposed was to some extent a result of benchmarking against UCL's competitor institutions, and reflected a historic tendency to undercharge for programmes at this level. The PGT fee level set by UCL was a minimum, with departments free to set a higher fee where appropriate to reflect such variables as the costs of running the programme, the level of demand, and the impact of the programme on career earnings. It was noted that the difficulty of securing funding for postgraduate taught study, and the impact of higher fees on students from lower-income groups, were also important considerations. The HEFCE contribution of £1,000 for each PGT student in 2011-12 was a one-year allocation, which only partially mitigated the drop in funding, pending the review of future teaching grants.

RESOLVED – on the recommendation of Finance Committee

- 82.10 **That the draft UCL Budget 2012-13 be approved.**

83 HEFCE FINANCIAL FORECASTS TO 2014-15

Received

- 83.1 APPENDIX C 6/70 (11-12) – three-year financial forecasts for submission to HEFCE as part of the annual accountability returns.

- 83.2 An oral report from Mrs Alison Woodhams, Director of Finance and Business Affairs.

Reported

- 83.3 The methodology employed this year departed from past practice of applying assumptions at the global UCL level, and was based instead on three-year plans from faculties and central budget holders. The forecasts for 2011-12 and 2012-13 were based on the Q3 forecast and the budget for 2012-13 respectively.
- 83.4 The forecasts had been made on the assumption that the Stratford development would proceed, with £67m capital expenditure built into the final year. The level of surplus projected for the end of 2014-15 took into account the assumptions relating to borrowing for the Stratford project and the Bloomsbury Masterplan.
- 83.5 At its meeting on 28 June 2012, Finance Committee had endorsed the forecasts on the understanding that the 'key risks' section would be amended in order to clarify that the risk of failing to meet the OFFA targets differed from the other key risks in that it depended to an unusual extent on factors beyond UCL's control. Finance Committee had also requested that the assumptions made in respect of the USS pension costs would be clarified.

Discussion

- 83.6 Assumptions relating to employer pension contributions were based on information received from USS trustees. It was likely that the next valuation in 2014 would highlight a significant deficit in the USS funds. It was confirmed that the fall in pension costs from 2011-12 indicated in the forecasts was a result of savings arising out of the recent merger of the UFMS and RFS pension schemes with SAUL.

RESOLVED – on the recommendation of Finance Committee

- 83.7 **That the Financial Forecasts to 2014-15 be approved, subject to the amendments proposed by the Finance Committee.**

84 **NEW CAMPUS UPDATE**

Received

- 84.1 APPENDIX C 6/71 (11-12) – an update on the Stratford community engagement programme.
- 84.2 An oral report from Mr Andrew Grainger, Director of UCL Estates.

Reported

- 84.3 Following further consultation with the London Borough of Newham (LBN), a revised charter for residents of the Carpenters Estate had been adopted in April 2012. The new charter represented an

improved position for residents, notably for leaseholders and freeholders.

- 84.4 Mr Grainger highlighted the statistics in the paper relating to the process of rehousing residents. UCL's engagement strategy in the area was ongoing. A two-day open drop-in session for all residents, businesses and community organisations had been followed by a series of meetings with various stakeholders.

Discussion

- 84.5 The project team was engaging with academic colleagues in the Development Planning Unit and the Urban Lab to ensure alignment and understanding of good practice. In the event of Council approving the proposal to take the project forward, it was agreed that it would be important to ensure that other kinds of relevant expertise within the UCL academic community were involved.

Matters for approval or information

85 FINANCIAL UPDATE

[Council Minute 74, 2011-12]

Received

- 85.1 APPENDIX C 6/73 (11-12) – the Financial Update 2011-12 (June 2012), received by Finance Committee at its meeting on 28 June 2012.

86 ANNUAL STRATEGIC PLANNING PROCESS

[Council Minute 116, 2010-11]

Received

- 86.1 APPENDIX C 6/74 (11-12) – an update report on the implementation of the new strategic planning process.

87 POTENTIAL TRANSFER TO UCL OF MEDICAL RESEARCH COUNCIL UNITS

Received

- 87.1 APPENDIX C 6/75 (11-12) – a note on negotiations over the potential transfer of MRC research units to UCL.

88 LEAD OFFICER ARRANGEMENTS – INFORMATION SERVICES

[Council Minute 24, 2011-12]

Received

- 88.1 APPENDIX C 6/76 (11-12) – proposals for the Lead Officer arrangements in respect of information services.

RESOLVED

- 88.2 **That the Lead Officer arrangements outlined at APPENDIX C 6/76 (11-12) be approved.**

89 LEAD OFFICERS – ANNUAL REPORTS

Received

- 89.1 APPENDIX C 6/77 (11-12), with Annexes 1-3 – the Lead Officer annual reports for: Careers and Employability; Student Accommodation; and Student Welfare Co-ordination respectively.

RESOLVED

- 89.2 **That the Lead Officer reports at APPENDIX C 6/77 (11-12) be approved.**

90 **ETHICAL INVESTMENT REVIEW COMMITTEE – ANNUAL REPORT**

Received

- 90.1 APPENDIX C 6/78 (11-12) – the Ethical Investment Review Committee annual report for 2011-12.

RESOLVED

- 90.2 **That the Ethical Investment Review Committee annual report for 2011-12 at APPENDIX C 6/78 (11-12) be approved.**

91 **GRADUATE SCHOOL – ANNUAL REPORT**

Received

- 91.1 APPENDIX C 6/79 (11-12) – the Graduate School annual report 2010-11, endorsed by Academic Board at its meeting on 23 May 2012.

RESOLVED

- 91.2 **That the Graduate School annual report 2010-11 at APPENDIX C 6/79 (11-12) be approved.**

92 **UCLU ANNUAL REPORT 2010-11**

[Council Minute 119, 2010-11]

Noted

- 92.1 According to the arrangements agreed following the Council meeting of 16 June 2004, and subsequently by Council officers, the draft 2010-11 Annual Report of UCLU was presented to the 6 July 2011 meeting of Council for consideration and approval in principle, with the final version of the report to be received for information a year later (in view of the fact that the Union does not formally sign off the Annual Report and summary financial statements until the following year's AGM).

Received

- 92.2 APPENDIX C 6/80 (11-12) – the final version of the UCLU Annual Report 2010-11.

93 **RISK MANAGEMENT POLICY**

Received

93.1 APPENDIX C 6/81 (11-12) – a draft Risk Management Policy.

RESOLVED

93.2 **That the Risk Management Policy at APPENDIX C 6/81 (11-12) be approved.**

94 **SCHEDULE OF DELEGATED POWERS – REVISION**

Received

94.1 APPENDIX C 6/82 (11-12) – proposed revisions to Council's schedule of delegated powers.

RESOLVED

94.2 **That the revised schedule of delegated powers at APPENDIX C 6/82 (11-12) be approved.**

95 **EXERCISE OF DELEGATED POWERS (FINANCE COMMITTEE) – TUITION FEES**

Noted

95.1 According to the (revised) schedule of delegation of powers of Council:

The Finance Committee shall report annually to Council details of the student fees which the Finance Committee has agreed should be charged by UCL for the following academic year.

Received

95.2 At APPENDIX C 6/83 (11-12) – proposals for student tuition fee levels for 2012-13 and 2013-14. Finance Committee had formally approved the proposals at its meeting on 28 June 2012.

96 **EXERCISE OF DELEGATION OF POWERS (ACADEMIC COMMITTEE) – PROGRAMMES APPROVED**

Noted

96.1 According to the schedule of delegation of powers of Council:

The Academic Committee shall submit to Council annually summary details of all new programmes of study approved by the Academic Committee during the preceding 12 months.

Received

- 96.2 APPENDIX C 6/84 (11-12) – a report from Education Committee, on behalf of Academic Committee, detailing new programmes of study approved in 2010-11.

97 REGULATIONS FOR MANAGEMENT – AMENDMENTS

Received

- 97.1 APPENDIX C 6/85 (11-12) – proposals for amendments to Regulations for Management 5.1, 5.5 and 5.14.

RESOLVED

- 97.2 **That the amendments to Regulation for Management 5, as set out at APPENDIX C 6/85 (11-12), be approved.**

98 COUNCIL MEMBERSHIP 2012-13

Received

- 98.1 APPENDIX C 6/86 (11-12) – details of the membership of Council in 2012-13.

Reported

- 98.2 The Chair noted that, contrary to what was stated in the paper, the other student member of Council in 2012-13, with Mr Edwin Clifford-Coupe, would be Ms Natasha Gorodnitski. Ms Gorodnitski had been elected as the UCLU Ethics, Environment, and Operations Officer for 2012-13, a post which effectively replaced that of the Finance and Services Officer.

99 CHAIR'S ACTION

Received

- 99.1 APPENDIX C 6/87 (11-12) – a note of action taken by the Chair since the previous meeting of Council.

Noted

- 99.2 Council formally noted the Chair's action detailed at APPENDIX C 6/87 (11-12): (i) to approve the Head of Department appointments listed therein; (ii) to approve the establishment of selection panels listed therein; (iii) to confirm that Mr Ven Balakrishnan, who will become an appointed member of Council with effect from 1 October 2012, is not involved in making investment decisions at UCL; (iv) to authorise UCL officers to proceed with the transfer of pension benefits accruing under the RFS and UFMS.

100 **ANY OTHER BUSINESS**

100A **Reform of Statute 18**

Reported

- 100A.1 In response to a request for an update on the progress of the consultation on Statute 18 reform, the Vice-Provost (Operations) reported that the online consultation process had now closed, and that an additional meeting of Academic Board to discuss the issue further had been scheduled for 10 July 2012. Two open meetings had already taken place. At recent meetings with representatives of the trade unions significant progress had been made on reaching agreement on the way forward.

Discussion

- 100A.2 A student member of Council outlined concerns on the part of UCLU regarding the consultation process, suggesting that the consultation had been inadequately advertised, and requesting an extension of the process. He also reported that the online consultation had been closed to students as it was password-protected. Mr Knight noted that the consultation had been announced in *The Week@UCL*. It would be for the Provost, as Chair of Academic Board, to consider representations to extend the consultation process in the light of the Board's meeting on 10 July.

100B **Valete**

Reported

- 100B.1 The Chair, on behalf of Council, paid tribute to the departing lay members of Council – Ms Anne Bulford and Mr Rob Holden – for their contribution to the work of Council and the life of UCL. Council expressed particular gratitude to Ms Bulford for her work as Treasurer of UCL. The Chair also expressed thanks to the departing staff and student members of Council – Dr Benet Salway, Mr Luke Durigan and Mr Tim Rees Jones – and to the departing Director of Finance and Business Affairs, Mrs Alison Woodhams.
- 100B.2 Council also welcomed Mr Phil Harding, Director of Finance and Business Affairs-designate, to his first meeting of Council.

100C **Queen's Birthday Honours**

Reported

- 100C.1 Council congratulated Ms Anne Bulford on the award of an OBE in the recent Queen's Birthday Honours.

Tim Perry
Secretary to Council (and Director of Registry and Academic Services)
July 2012