



University of London
BOARD OF TRUSTEES

Wednesday 28 January 2009
4.00 pm
Room ST274, Stewart House

MINUTES

PRESENT

Dame Jenny Abramsky (Chair)	Mr Edward Hartill
Mr Abdul Bhanji	Professor Stephen Hill
Professor Geoffrey Crossick	Mr Maxwell Hutchinson
Sir Graeme Davies	Mrs Suzanne McCarthy
Ms Judith Evans	Mr Charles Perrin
Mr Steven Fogel	Professor Peter Rigby
Mr Ian Grainger	

APOLOGIES Professor Geoff Whitty

IN ATTENDANCE

Mr Martin Burchett	Ms Collette Cushion
Mr Richard Cryer	Mr Kim Frost
Miss Damaris Currie	Miss Catherine Swarbrick

Minutes of the Meeting Held on 24 November 2008

0182 The Board confirmed the minutes of the meeting held on 24 November 2008, subject to a footnote to Minute 0166 to indicate that, subsequent to the meeting, clarification of the annual reporting process of the Safety Committee had determined that the Committee's Annual Report would be presented each year to the second meeting of the Board of Trustees in the Autumn term.

Matters Arising

0183 The Board noted Document BT045 on matters arising from the previous meeting not covered elsewhere on the agenda.

Appointment of the Vice-Chancellor

0184 At its previous meeting, the Board had agreed that Sir Graeme Davies should be re-appointed Vice-Chancellor for a further period of one year only, from 1 September 2009 to 31 August 2010, under the same terms and conditions as at present. The Board was pleased to note that the Vice-Chancellor had accepted the re-appointment and offered its congratulations.

Vice-Chancellor's Report

- 0185 Before introducing his report, the Vice-Chancellor, on behalf of the Board, congratulated the Chair on being made a Dame Commander of the Order of the British Empire in the New Year Honours List 2009.
- 0186 The Vice-Chancellor drew members' attention to an informal document he had tabled on the results of the Research Assessment Exercise. Members agreed that the performance of the Colleges of the University was to be commended and congratulated Professor Rigby (Chief Executive of the Institute of Cancer Research (ICR) in particular, on the performance of the ICR which had topped the results table.
- 0187 The Board received and noted the Vice-Chancellor's report (Document BT046). The Vice-Chancellor advised the Board that, in addition to providing progress reports on ongoing matters, he also sought to bring to the Board's attention, issues on which members could expect a fuller report at a future meeting.

20 Russell Square – Bids from the School of Oriental and African Studies (SOAS) and the Institute of Advanced Legal Studies (IALS)

- 0188 Mr Bhanji declared an interest in this matter as he was a member of the governing body of SOAS. He indicated that he would not participate in the discussions or the decision on this issue.
- 0189 The Vice-Chancellor reported that, since the previous meeting of the Board, further discussions with SOAS and IALS had taken place. The report recommended that a 99-year lease on the land at 20 Russell Square be granted to SOAS under the normal terms, at a cost that took account of the restricted nature of the planning classification and that was likely to be in the region of £500k.
- 0190 The basis upon which this recommendation was made was set out in paragraph 1 of Document BT046. The Vice-Chancellor informed the Board that some wording had been omitted from the report in error, and that 'adjacent to the current IALS basement' should be inserted between the words 'basement' and 'area' in the final sentence of paragraph 1.

AGREED

- 0191 That, subject to the requirements of paragraph 1 of Document BT046 (including the additional wording specified above) being met, a 99-year lease on the land at 20 Russell Square be granted to SOAS under the normal terms at a cost that took account of the restricted nature of the planning classification.

The Warburg Institute

- 0192 The Vice-Chancellor reported that this matter related to an ongoing issue over responsibilities set out within the 1944 Trust Deed.

0193 The Warburg Institute had recently sought advice from the Charity Commission regarding issues covered by the Trust Deed. A summary of the Charity Commission's response was set out in paragraph 3 of the Vice-Chancellor's report. The Vice-Chancellor reported that he had discussed the response with the Chair of the Board of Trustees, and the University was seeking the legal advice referred to within the Charity Commission's response. In accordance with due process, it was expected that the Warburg Institute Advisory Council and the Board of the School of Advanced Study would discuss this matter at their forthcoming meetings. A full report would be presented to the Board of Trustees at its meeting on 13 May 2009.

London Science and Creativity Park

0194 Members' attention was drawn to the information in the report on progress regarding the London Science and Creativity Park. In the first instance, work was being taken forward in partnership with Goldsmiths and Royal Holloway. Professor Crossick reported that Goldsmiths welcomed the opportunities afforded by this project. Although it would be on a relatively small scale initially, if the initiative was successful possibilities for expansion would be explored.

0195 It was noted that the University would have some responsibilities in terms of the project's governance. For example, it was possible that funding for the London Science and Creativity Park might be forthcoming from the London Development Agency and, if so, this was likely to be paid to the University. In respect of longer-term funding, Professor Crossick suggested that if the project was a success, other Colleges might be interested in becoming involved.

0196 The Vice-Chancellor reported that he hoped to bring proposals in relation to governance and to property for the Park, to the next meeting of the Board.

University of London Union (ULU) Building

0197 Following its consideration of the Report of the Trustees Review Group at its previous meeting, the Board had agreed that the implementation of the Estates Committee's decision on the ULU building should remain in abeyance until the Collegiate Council had resolved the broader strategic and political issues referred to in paragraph 7 of the Review Group's report. Document BT047 reported on the outcome of the Collegiate Council's discussions at its meeting on 12 December 2008. The unconfirmed minute of these discussions was at Appendix BT047A.

0198 In addition, the Chair tabled a letter she had received from the Provost of UCL dated 27 January 2009.

0199 The Vice-Chancellor indicated that he wished to clarify a few matters in connection with the Provost's letter.

- (i) In respect of the second paragraph of the letter, the Vice-Chancellor stated that he did not have a 'commercial interest' in the outcome of the Collegiate Council's discussion. He indicated that his responsibility in respect of ULU was to ensure that it met the requirements of the Education Acts and did not present a financial burden upon the University.
- (ii) The Vice-Chancellor informed members that the commercial operations of ULU, as referred to in point 5 of the letter, were not subsidised by the funding provided to ULU by the Colleges. These activities had to be self-sustaining.
- (iii) Point 6 of the letter referred to 'the extent to which ULU has withdrawn from organisation of sports activities in the last 12 months'. Officers were unaware of any such withdrawal, and were investigating this matter further.

0200 In considering the outcome of the Collegiate Council's discussions, members reaffirmed the importance they had placed on seeking the views of the Collegiate Council on the ULU Building. Those Heads of Colleges on the Board, who had been present at the meeting on 12 December 2008, indicated that the unconfirmed minute of the Collegiate Council accurately reflected the discussion that had taken place.

0201 The Board discussed the letter from the Provost, and members expressed concern regarding some of the comments contained therein. The Board rejected the suggestion in the letter that the Board might go 'ahead unquestioningly...without addressing our concerns'. Members felt that careful consideration had been given to issues raised previously by the Provost of UCL and pointed out that there was a clear audit trail demonstrating this.

0202 The Board considered that the process of excluding the two competing parties from the Collegiate Council's discussions on the basis of conflict of interest was consistent with good practice.

0203 Members queried whether it was possible for a College to choose not to pay for ULU's services. The Board was advised that ULU was not funded by the Federal Subscription. Colleges paid for ULU's services on behalf of their students and it would be possible for a College to decide not to do so. It was noted that the amount each College currently paid for ULU through a subscription, was determined by a formula agreed by the, then, Heads of Colleges Committee, which related to the proximity of the College to ULU and the size of the College in terms of student numbers.

0204 The Board noted the comments in the final paragraph about the next major issue being the future management of the Senate House Library.

0205 The Board agreed that, in view of the issues it raised, an analysis of the implications of the Provost of UCL's letter should be undertaken, for the consideration of the Board.

- 0206 In response to a query in respect of the ongoing discussions on strategic planning, it was agreed that the results of the analysis could feed into this process where appropriate. It was also agreed that a copy of the report on the analysis of the implications of the Provost's letter could be submitted to the Audit and Risk Committee for information, subsequent to its consideration by the Board.
- 0207 The Board agreed that, in response to the letter, the Chair should meet with the Provost of UCL. The Chair reported that she had already arranged to meet the Provost on 6 February 2009.
- 0208 The Board agreed unanimously, in the light of the response from the Collegiate Council, to confirm the original decision of the Estates Committee to grant a five year lease to ULU, with a review after three years. It was noted that the review after three years originally agreed by the Estates Committee had been proposed in the light of the dynamic and complex financial environment in which ULU would be operating during the period of the lease. Members agreed that the review should be concerned with ULU's financial sustainability and not comprise a review of the decision to grant the lease to ULU.
- 0209 **AGREED**
- (i) In the light of the response from the Collegiate Council, to confirm the original decision of the Estates Committee to grant a five-year lease to ULU, with a review after three years.
- (ii) That an analysis of the implications of the Provost's letter should be undertaken for the consideration of the Board.
- (iii) That, in response to the letter, the Chair should meet with the Provost of UCL.

University of London Boathouse

- 0210 The Director of Estates and Facilities introduced Document BT048. By way of background he reported that an earlier application by the University for planning and listed building consent for a residential development on the site and the refurbishment and extension of the listed Boathouse had been refused, and further investigations at that time had led to an acceptance that, for the present, the University's proposals were not viable. Members were advised that the Boathouse was situated in Chiswick.
- 0211 The, then, Estates Committee had agreed on 4 June 2008, to the granting of a lease of the University Boathouse to the University of London Boat Club Trust for a term of 99 years and an annual rent of £1. The minutes of that meeting recorded that the University should have the option 'to break the lease at any time throughout the term to secure the continuing interests of the University by addressing possible future developments...'. Examples given in the minute were if 'the University of London Boat Club Trust brought the name of the

University and its reputation into disrepute' or if 'the Boathouse was required to be revalued/sold by the University'.

- 0212 The Director of Estates and Facilities reported that this requirement had caused some difficulties in respect of negotiations over the lease. Whilst the Trust accepted that the University must be able to break the lease should the Trust bring its name into disrepute, or if the Boathouse was no longer being used for its agreed purpose, the Trust was not prepared to accept a rolling break allowing the University to take back the premises for its own purposes.
- 0213 As a result, it was proposed that a shorter lease be offered to the Trust. The University had suggested a 30-year lease. However the Trust wanted a lease of 40 years. The report, therefore, proposed a compromise of a 35-year lease.
- 0214 The Director of Estates and Facilities advised the Board that, following email correspondence with a member of the Board regarding some of the wording in paragraph 8 of the report, he wished to clarify that the premises were at present for use as a boathouse for the benefit of students of the University and that the University would not wish the Trust to use them for any other purpose. The University's consent would be required for any change of use or physical alterations.
- 0215 Members discussed options for the length of the lease and also the point at which a break in the lease might occur should the Trust not secure the funding it was seeking to improve the facilities.
- 0216 It was suggested that the wording of paragraph 12 of the report should be amended to recognise the possibility of the Trust becoming insolvent.
- 0217 **AGREED**
- (i) That a lease for a term of 35 years should be offered to the University of London Boat Club Trust, with the option for the University to break at 5 years should the Trust not secure the funding it was seeking to improve the facilities.
- (ii) That the lease should also grant the University the option to break at any time throughout the term if the Trust brought the name of the University and its reputation into disrepute and/or if the Boathouse was no longer being used for the purpose originally agreed with the University or for any purpose subsequently agreed with the University.

University Management Accounts for the Period 1 August 2008 to 30 November 2008

- 0218 The Director of Finance introduced the Management Accounts for the period 1 August 2008 to 30 November 2008. He drew members' attention to the table in paragraph 2 of the report which showed that performance over the period had shown an adverse variance of £617k. Paragraph 4 set out the principal reasons for this variance.

- 0219 The Director of Finance reported that, through the ongoing review, the University of London Research Library Services was presently subject to a high level of scrutiny.
- 0220 In respect of Student Services, the Director of Finance reported that bookings for accommodation in the Halls of Residence during the summer of 2008, and therefore income in this area, had been adversely affected by the strength of sterling at the time the bookings were made. Prospects for bookings for the summer of 2009 looked more favourable, with a higher level of demand than for the previous year.
- 0221 In addition, one of the University Halls of Residence, College Hall, had been closed for three years before re-opening in 2007-08, which had affected recurrent lettings. However, steps had been taken with a view to increasing income in this area, including the recent appointment of a new Conference and Events Manager.
- 0222 Other methods of cost-cutting were being investigated to reduce the variances across the University, including reviewing the level of cleaning of student rooms, and significant savings would result from the discontinuation of the Intercollegiate Mail Service at the end of January 2009.
- 0223 In response to a query, the Director of Finance indicated that he did not believe it was necessary to re-budget on the basis of the figures presented to the Board. The accounts for the six-month period to 31 January 2009, which would be presented to the Board's March 2009 meeting, would present a clearer indication of the current situation.
- 0224 The Board expressed concern at the level of variance at this stage of the session, and suggested there appeared to be a lack of urgency in addressing this. One of the members of the Board reported that, at a recent meeting of the Collegiate Council, he had requested an action plan setting out how expected savings would be delivered. The Board agreed that, in future, it would wish to receive such action plans. For its March 2009 meeting, the Board would require the Management Accounts for the half year to 31 January 2009, an action plan outlining remedial action, and a balance sheet.
- 0225 One member queried whether staff were aware of the financial limits under which they were operating, and how this was monitored, for example through targets, or linkage to performance appraisal.
- 0226 The Secretary informed the Board that its comments would be relayed to the Senior Management Team, which had a crucial role to play in addressing the deficit.
- AGREED**
- 0227 That, in addition to the January 2009 accounts, the Board would wish to receive a balance sheet and an action plan to put the University's accounts into surplus.

Annual Transparent Approach to Costing (TRAC) Return for 2007-08

- 0228 Document BT050 set out the proposed process for the review and approval of the University's 2007-08 TRAC Return.
- 0229 The Board was content for the 2007-08 Return to be processed as proposed in the report. However, it was noted that university finance committees would normally receive TRAC Returns, and that, in view of the Board's remit in respect of finance, a copy of the 2007-08 Return should be submitted to the Board's meeting on 25 March 2009. It was noted that higher education institutions were being encouraged to use the TRAC Returns within their strategic planning processes.
- 0230 It was agreed by the Board that, in view of the financial documentation requested by the Board (see also BTMM 0224 and 0227 above), the first section of the agenda for the meeting on 25 March 2009 should be dedicated to finance-related items.
- 0231 **AGREED**
- (i) That the Board approved the process for the submission of the TRAC Return for 2007-08 as set out in Document BT050, and delegated, to the TRAC Steering Group, responsibility for the detailed review of the 2007-08 return.
 - (ii) That the TRAC Return, with an accompanying commentary, should be presented to the Board's March 2009 meeting.
 - (iii) That the first part of the Board of Trustees' meeting on 25 March 2009 would be devoted to finance-related items.

Strategic Risk Register and Update on the Effects of the Global Economic Downturn

- 0232 At its meeting on 24 November 2008, the Board, following discussion of the impact the recession might have upon the University, had requested information on related risks for its next meeting. Document BT051 had been prepared in response to that request. The Strategic Risk Register for the University, as received by the Board at its previous meeting, was attached as Appendix BT051A.
- 0233 The Secretary advised members that, at its forthcoming meeting on 2 February 2009, the Risk Management Steering Group would be reassessing the Strategic Risk Register in the light of Document BT051 and any comments from the Board of Trustees. The amended Strategic Risk Register would be submitted to the Audit and Risk Committee at its meeting on 18 February 2009.
- 0234 It was noted that the report suggested there might be an increased demand for training and development for University staff, and a query as to the reasons for this was raised. The Director of Human Resources advised

members that, in the current financial economic climate, individuals were likely to seek to enhance their skills, and were, therefore, more likely to take advantage of training opportunities available to them.

University Marine Biological Station Millport (UMBSM)

- 0235 The Vice-Chancellor introduced his report (Document BT052, confidential). Members noted that a revised version of Appendix BT052A (confidential) had been circulated to the Board subsequent to the initial dispatch of papers.
- 0236 The Vice-Chancellor advised that his report sought the Board's confirmation that the assets of the University must be protected in any arrangements involving the future of UMBSM. The Board confirmed this to be the case.
- 0237 The Vice-Chancellor updated the Board on discussions regarding the future of UMBSM and advised that discussions with relevant parties would continue with a view to the submission of a formal business plan to the Board of Trustees at its meeting in March 2009.
- 0238 Questions were raised regarding the scope of the options that had been investigated to date. The Board agreed that the formal business plan to be submitted to its next meeting should include details of all options available.
- 0239 **AGREED**
- (i) That the assets of the University must be protected in any arrangements involving the future of the UMBSM.
 - (ii) That the Board should receive a formal business plan at its next meeting which would include all the options available.

Review of Senate House Library

- 0240 The Board noted Document BT053 which provided an update on the Review of the Senate House Library. The report detailed the *Recommendations from the Senate House Library Review Group* as approved by the Collegiate Council on 12 December 2008.

Review of the Definition of Students of the University of London

- 0241 The Secretary introduced Document BT054, and advised members that categories of students within the University of London were currently defined within Ordinance 14 *Students* (Appendix BT054A). When the new Ordinances had been produced, consideration had been given to amending the Ordinance on students further, and to investigating whether, given the changes that had taken place within the University in recent years, categorising students in this way was still useful and/or appropriate. However, it had been agreed that such a review should wait until the new governance structures were in place, as significant amendments to the categories of students could not be made without wider consultation and discussion within the University.

0242 **AGREED**

That officers should take forward a review of the definition of Students of the University through consultation with Colleges and the Central Academic Bodies; a further report to be brought to the Board following these consultations.

Strategic Planning

0243 The Board noted the report updating it on the strategic planning process for the establishment of a University Strategic Plan 2009-13 (BT055).

Senate House Project

0244 The Board noted a progress report on the Senate House Project (BT056).

Estates Matters

0245 The Board noted Document BT057 providing an update on Estates Matters.

University of London Union Financial Performance and Forecasts

0246 The Board noted Document BT058 detailing ULU financial performance for the period August to October 2008 and forecasts.

Action Taken under Delegated Authority

0247 Members noted the action taken under delegated authority as set out in Document BT059.

Sealings

0248 The Board noted Document BT060 which provided details of Sealings undertaken since the report to Board on 24 November 2008.

Dates of Meetings

0249 The Board noted the dates of meetings of the Board of Trustees for the remainder of the 2008-09 session:
Wednesday, 25 March 2009 at 4.00 pm;
Wednesday, 13 May 2009 at 4.00 pm; and
Wednesday, 15 July 2009 at 4.00 pm.

Any Other Business

University of London Halls of Residence – Fee Setting Process

0250 The Chair informed the Board that she had agreed to an additional urgent item being considered by the Board. This matter was urgent as it related to

the setting of Hall fees, and could not wait until the Board's next meeting, as Colleges required details of Hall fees for 2009-10 by the end of March 2009 at the latest. To facilitate this, the Board agreed that the process for setting of the fees should be taken forward by officers and to delegate, to the Vice-Chancellor, the authority to approve the fee levels for the Halls for 2009-10.

0251 **AGREED**

That officers should take forward the process for the setting of Hall fees for 2009-10 and to delegate to the Vice-Chancellor the authority to approve the final fee levels.

New Year Honours

0252 The Board noted Document BT061, tabled at the meeting, which provided an update on awards in the New Year Honours List 2009: as follows:

Knight Bachelor

David Nicholas Cannadine	Formerly Director of the Institute of Historical Research (IHR), and Queen Elizabeth the Queen Mother Professor, IHR. For services to scholarship.
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Order of the British Empire

Dame Commander of the Order of the British Empire

Jennifer Abramsky, CBE	Chair, University of London Board of Trustees. For services to Broadcasting.
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Officers of the Order of the British Empire

Stephen Roger Davis	Lecturer in psychology, UCL. For services to children with communication difficulties.
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Graham Charles Rees	Professor of English and Drama, Queen Mary. For service to scholarship.
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Diplomatic Service and Overseas List

Knight Bachelor

Christopher John Greenwood, CMG	Professor of International Law, London School of Economics and Political Science. For services to public international law.
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Commander of the Order of the British Empire

David Norse

Emeritus Professor of Environmental Management, University College London, Environment Institute and Whitehall China Task Force member. For services to international sustainable development and UK/China relations.