



University of London
COLLEGIATE COUNCIL

Friday, 7 November 2008
 8.30am
 STB9, Stewart House

MINUTES

PRESENT

Sir Graeme Davies (Chairman)	Professor Hill (RH)
Professor Crossick (Goldsmiths)	Professor Kopelman (SGUL)
Professor Sir Roderick Floud (SAS)	Professor Latchman (Bbk)
Professor Freeman-Attwood (RAM)	Professor McDade (Heythrop)
Professor Grant (UCL)	Professor Rigby (ICR)
Professor Haines (LSHTM)	Professor Smith (SoP)
Professor Henderson (CSSD)	Professor Trainor (KCL)
	Professor Whitty (IoE)

APOLOGIES

Mr R Buchanan (LBS)	Professor Ogden (QMUL)
Sir Howard Davies (LSE)	Dr Swallow (Courtauld)
Professor McKellar (RVC)	Professor Webley (SOAS)

OBSERVER

Professor J Kydd (External System)

IN ATTENDANCE

Mr R Cryer	Mr M Dalton (Secretary)
Ms C Cushion	Miss C Swarbrick

Minutes of the Previous Meeting

0056 The Collegiate Council confirmed the Minutes of the previous meeting held on 3 October 2008.

Matters Arising

0057 The Collegiate Council received a report by the Secretary on Matters Arising from the previous meeting not covered elsewhere in the agenda (**CC008**). The Vice-Chancellor reported that, subject to confirmation of catering arrangements, a date had been finalised for the dinner to pay tribute to Professor Adrian Smith. An email with confirmation of the date would be circulated to members following the meeting.

0058 The Vice-Chancellor reported one matter not referred to within the Secretary's report: Professor David Cannadine had requested that his appreciation of the

bestowal of the title of Honorary Professor upon him by the Collegiate Council be recorded in the Minutes.

Vice-Chancellor's Report

0059 The Collegiate Council received a report by the Vice-Chancellor on matters not considered elsewhere on the agenda (**CC009**).

University Marine Biological Station Millport (UMBSM)

0060 The Collegiate Council noted that further discussions with the various stakeholder groups had taken place on 31 October 2008. Good progress had been made on due diligence and all parties were now aware that transfer of the assets of UMBSM could not take place without the University first being compensated. In addition, any new funding arrangements would need to ensure access to the facilities for teaching and research for Colleges of the University of London, and other current and future UK higher education institutions.

University of London Union (ULU) Building

[The Provost of UCL declared an interest in this item]

0061 The Vice-Chancellor reported that the University Board of Trustees, at its meeting on 15 October 2008, had been advised of the outcome of the Collegiate Council's discussions of 3 October 2008 on the future of the ULU Building. The Board had accepted the Collegiate Council's recommendation that the implementation of the Estates Committee's decision on the ULU Building should be held in abeyance. However, the Board had noted that, under the previous governance arrangements, decisions concerning the future of the ULU Building had been an Estates Committee matter and it, therefore, now fell within the remit of the Board (it noted that the Heads of Colleges Committee, at its meetings in May and June 2008, had agreed that the ULU Building was an Estates Committee matter). Consequently, the Board had agreed to establish a small group to examine:

- (i) the process which had taken place leading to the decision to grant the lease of the Building to ULU;
- (ii) the information provided to the original Working Group established by the Estates Committee; and
- (iii) the concerns raised by the Provost of UCL.

0062 The Group would comprise Professor Rigby and Judith Evans (independent trustee), in consultation with the three members of the Board of Trustees who had been involved in the original decision (Professor Hill, Charles Perrin and Edward Hartill). The Group would meet on 13 November 2008 and report to the Board of Trustees on 24 November 2008. The Collegiate Council, at its meeting on 12 December 2008, would then receive details of the Board of Trustees' discussions.

- 0063 A member of the Collegiate Council expressed concern that the Group of Trustees would review only the process leading to the decision to grant the lease to ULU and not consider what was in the long term interests of the University. In his view, the ULU bid could be seen as a viable short term solution but he had doubts whether it could offer the necessary long term security to reduce sufficiently the financial risks to the University. Whilst he accepted that a conclusion that (a) the bid process was fair and which (b) revoked the original decision to grant ULU the lease, could be seen to be unfair, he believed it essential that a settlement was reached which was in the best interests of the University going forward. The Vice-Chancellor confirmed that the Group of Trustees would be looking at all three of its required tasks and not just examining the original bid process. In addition, the Board of Trustees was fully aware of the importance of the issue and hence a number of new independent trustees had visited the ULU Building.
- 0064 The Provost of UCL acknowledged that it was an estates matter which now fell within the remit of the Board of Trustees but he commented that it was a decision which should not be taken in a strategic vacuum, or one which should be based solely on short term return to the University. Whilst the UCL proposal was not directly related to teaching, it would, in his view, benefit all students of the University significantly. Alluding to concerns that the UCL bid would displace ULU whilst a refurbishment of the Building was taking place, the Provost confirmed that it was now UCL's intention to provide suitable accommodation for ULU, possibly with the assistance of the University.
- 0065 Members of the Collegiate Council emphasised the importance of the Group of Trustees taking into account the interests of all students of the University and not just students of Bloomsbury Colleges. There were concerns that non-Bloomsbury Colleges would not benefit from the UCL proposal. In addition, there were concerns that the UCL bid would involve a considerable recurrent cost to Colleges and that the considerable investment proposed would need to be recovered by costlier non-ULU services. The Provost informed members that his bid would propose capping College contributions to ULU at current levels with other services paid for on a usage charge basis.
- 0066 Whilst noting that ULU's financial performance for 2007-08 had been much improved, a member of the Collegiate Council commented that there were insufficient data to establish whether the improvement was a trend or a one-off. The Vice-Chancellor assured the Collegiate Council that ULU had been informed that there was no possibility of any subsidies from the University in the event of deterioration in its financial performance. In addition, ULU was now operating under a more robust governance structure following changes in 2007-08; these included the establishment of a Board of Trustees which included independent members and a representative of the Collegiate Council.
- 0067 There was concern expressed by members of the Collegiate Council that Colleges would not have input into the final decision, especially as it was a major asset of the University and a shared service of the Colleges. One member was particularly concerned that Bloomsbury Colleges were not

represented on the Group of Trustees. There was a view that, given the significance of the decision, the Collegiate Council should be consulted on the proposed outcome of the Board of Trustees discussions on 24 November 2008. The Vice-Chancellor confirmed that the views of the Collegiate Council would be conveyed to the Group of Trustees at its meeting on 13 November 2008. He reminded the Collegiate Council that two of its members were part of the Group of Trustees considering the issue on 13 November 2008.

Senate House Project

0068 The Collegiate Council noted that the Supplementary Agreement, which agreed the revised financial arrangements and confirmed the end of February 2009 as the completion date for Section A of Phases 2/3 (basement to fourth floor, and fifth and sixth floors over the quadrangle, of the Senate House South Block), had been signed by the main contractor, Tolent.

Pay Award October 2008

0069 The Collegiate Council noted that the University had agreed to implement the Retail Price Index (RPI) based salary increase in full from 1 October 2008. The budget for 2008-09 included a provision of 4% for salary uplifts against the notified RPI of 5%. Therefore, steps were being taken to ensure that the budgeted out-turn was maintained.

20 Russell Square

0070 The Collegiate Council noted that further consultation had taken place with both the School of Oriental and African Studies (SOAS) and the Institute of Advanced Legal Studies (IALS). A joint meeting between the two bidders to explore the possibility of agreeing a joint development had taken place but this option now seemed unlikely. A further meeting with the Chair of the IALS Advisory Council and the Director of IALS was being scheduled.

Review of the External System

0071 The Collegiate Council received a progress report by PriceWaterhouseCoopers (PwC) on its Review of the External System (Appendix **CC009A**). A member of the Collegiate Council asked whether it was appropriate for changes to the methodology for the distribution of additional profit share payments to Lead Colleges (on top of the existing contractual payments) to take place in advance of the completion of the PwC Review. He supported the principle of the College Account system whereby each College would have an account which would debit losses from non-profitable programmes before any distribution of additional profit share payments. However, it would need to be underpinned by robust financial reporting and this was one aspect of the External System currently under review. Additionally, Colleges would need to know underlying reasons for losses, as well as having a transitional period to correct or remove loss making courses.

0072 The Vice-Chancellor informed the Collegiate Council that it had been apparent for some time that changes to the College Account system would be required regardless of the outcome of the PwC Review. Furthermore, the changes approved by the External System Finance Committee and the Board of the External System could not be fully implemented without first being discussed with each of the Lead Colleges as part of the contractual negotiations. With regard to the closure of programmes, there existed already a transitional period and this would continue to be the case under the new arrangements.

Annual Out-turns for Central Academic Bodies and Activities

0073 The Collegiate Council received a report by the Director of Finance on the Annual Out-turns for Central Academic Bodies and Activities (**CC010**) as well as summaries of out-turns for each area for 2006-07 and 2007-08 (Appendices **CC010A** and **CC010B**) and Revised Forecasts for 2007-08 (Appendix **CC010C**). On a total income of £145M (2006-07: £110.5M) the central University had achieved an operating surplus of £2.6M (2006-07: £9.1M deficit) but much of the improved financial performance was attributable to the disposal of the Tavistock Place investment property which had realised a surplus of £8.7M; excluding this transaction meant an operating deficit of £6.1M for 2007-08. It was noted that virtually all areas of operation had sustained deficits. An overall operating deficit of ca. £3M was forecast for 2008-09.

0074 The Director of Finance reported that a continuation of the radical and fundamental restructuring of the central University would be necessary to achieve the objective of sustainability and viability for the future; a number of corrective measures were set out in paragraph 21 of his report. Deficits over previous years had been absorbed due to the realisation of assets but, after 2008-09, this would no longer be possible and the central University would need to achieve operational self-sufficiency.

0075 A member of the Collegiate Council welcomed the investment in programmes and infrastructure taking place within the External System which had been financed from its reserves (reduction in reserves from £10.4M to £9.4M in 2007-08). He was concerned, however, that the External System's reserves might be vulnerable should the University's financial position worsen. The Collegiate Council was informed that the External System reserves (and those of other Central Academic Bodies and Activities), although owned by the University, were indicated reserves. Furthermore, the External System Finance Committee and the Board of the External System had recently approved a policy in respect of the allocation of the External System's reserves. It was noted also that most reserves contained an element of fixed capital which was not easily realisable or distributable.

0076 The Master of Birkbeck, as Chairman of the Board of The Careers Group, informed the Collegiate Council that the Board had received the out-turns for The Careers Group at its meeting on 30 October 2008 but had been unable to approve them due to the meeting being inquorate. As a result, members of

the Board of The Careers Group had been asked to approve the out-turns by correspondence. He issued a request that Colleges ensure the nomination of appropriate representatives to the Board who would be able to attend meetings on a regular basis.

- 0077 The Collegiate Council was informed that the Board of Trustees would be monitoring the implementation of the corrective measures being taken to achieve sustainability and that the Collegiate Council would receive further information in due course.

Senate House Library Review Steering Group

0078 The Collegiate Council received an oral report by the Deputy Vice-Chancellor (as a member of the Senate House Library (SHL) Review Steering Group) in the absence of the Chairman of the Steering Group. The Steering Group, at its meeting on 29 October 2008, had received a presentation by CHEMS Consulting team and a first draft of its Final Report.

- 0079 The Deputy Vice-Chancellor informed the Collegiate Council of the following points arising from the Steering Group's meeting on 29 October 2008:
- (i) Whilst the Steering Group had agreed at its previous meeting that there was unlikely to be sufficient demand for a National Arts and Humanities Research Library based in Senate House and thus had rejected it as an option, the Group did agree that another variant of the Refocus option should be added to the remaining options, namely a library based on, primarily, humanities.
 - (ii) The remaining options for the future of SHL were as follows:
 - (a) three variants of the Refocus option (one based on efficiencies, one based on service cuts, and another based on a library focussed on, primarily, humanities);
 - (b) takeover by UCL; and
 - (c) as a last resort if no other options could be agreed, Closure.
 - (iii) CHEMS would review its Final Report following a number of comments made by the Steering Group in relation to the Refocus option. These included:
 - (a) inflationary increases in income and expenditure had not been built into calculations;
 - (b) the convergence agenda, upon which the Refocus models had been based, had not included the integration of IALS and Warburg; and
 - (c) establishment of a Library Board to implement the changes would be required.
 - (iv) The University Board of Trustees was unlikely to hand over to UCL a collection of assets worth approximately £400M, including SAS collections, without adequate compensation. This had led to discussions about the possibility of a permanent loan arrangement.

- (v) If the final outcome of the Review was that SHL should continue, further consideration outside of the Review process would need to be given as to the method of allocation of the College Subscription.
- (vi) CHEMS' Final Report would be considered at the final meeting of the Steering Group on 26 November 2008.
- (vii) The University Libraries Committee, at its final meeting on 24 November 2008, would receive a presentation by CHEMS (but not the Final Report) and its comments would be conveyed to the Steering Group on 26 November 2008.
- (viii) The Final Report would be embargoed until the release of papers for the Collegiate Council meeting on 12 December 2008. A Communications Strategy to cover the period between the release of the Report and the final decision of the Board of Trustees at its meeting on 28 January 2009 would be discussed at the final meeting of the Steering Group.

0080 A member of the Collegiate Council asked if any assumptions had been made with regard to the allocation of the College Subscription. It was reported that CHEMS and the Steering Group had noted the comments from the previous meeting of the Collegiate Council on 3 October 2008 which had included the view that Colleges might seek alternative arrangements if the Subscription remained at its current level but with a reduction in the service levels.

0081 A member expressed concern that the large SHL deficit and compact nature of the timetable for receipt of the Final Report might compel the Collegiate Council to recommend closure rather than taking more time to consider the other options in detail. He was also concerned to ensure that the Final Report took a holistic approach to library provision, i.e. one which viewed SHL as part of the collective University of London library provision, rather than an approach which focussed exclusively on the financial predicament of SHL. He commented that closure would have significant knock-on effects for many College libraries whose collections had been constructed to complement those at SHL. Given the significance of the decision, the member suggested that the timetable should be extended to allow for a broader perspective and more detailed consideration of the options.

0082 The Dean of the School of Advanced Study (SAS) also had concerns about the compactness of the timetable for the Final Report, especially as any decision would have significant implications for the School. It was suggested that implementation of any decision could be phased or that a decision, such as Refocus, could be taken but that the Collegiate Council could ask for the option to be developed further.

0083 The Collegiate Council was informed that the Final Report would be a detailed and comprehensive account of the Review of SHL and would include details

of College collections. In addition, each of the options had taken into account the possible effects on other collections.

0084 **AGREED**

That the Vice-Chancellor would send a reminder to the Collegiate Council in advance of the meeting of 12 December 2008 to ensure as full an attendance as possible during the discussion of the Final Report of the Review of SHL.

School of Advanced Study Action Plan

0085 The Collegiate Council received a report by the Dean of SAS on progress made against the SAS Action Plan (**CC011**). The Collegiate Council was asked to note paragraphs 1(i) – 1(vi) of the report which outlined the most significant developments that had taken place since the previous meeting.

0086 The Dean drew the Collegiate Council's attention to developments at the Warburg Institute. The Advisory Council of the Warburg had expressed concern that the current arrangements for the management and financing of the Institute were not consistent with the Trust Deed of 1944 by which the Institute's library was transferred to the University. It had argued, for example, that the inclusion of the Warburg Institute library within the management arrangements for the University of London Research Library Services (ULRLS) and the inclusion of the Warburg Institute within the resource allocation mechanisms of SAS, breached the Deed's provisions regarding the 'independence' of the Warburg and its special character. The Collegiate Council noted that the University had not shared these views but had agreed on a joint referral to the Charity Commission. The views of the Advisory Council and of the University, on an agreed set of questions, had been submitted to the Charity Commission during September and October 2008. However, the Collegiate Council was informed that the scale of the library and non-library deficits at the Warburg needed to be addressed urgently regardless of the Charity Commission's response which was awaited.

0087 It was noted that, at its meeting in May 2008, the Heads of Colleges Committee had agreed in principle the proposal for a system of charges (based on net benefits) on higher education institutions (HEIs) for access to SAS research facilitation, subject to the approval of the HEFCE and the system being all inclusive i.e. not restricted to Colleges of the University. With regard to establishing a method for determining a charge for access to SAS research facilitation, the Dean commented that he had concluded from his consultations with staff at Colleges that netting off contributions in kind would be especially complex, time consuming and expensive. Further consideration would be given to the method for determining charges for Colleges of the University, which would be distinct from the method for charging other HEIs.

0088 The Dean reported that there were also complex interactions between such a scheme – which would cover research facilitation activities including libraries – and current discussions about the SHL and the future of the ULRLS. Consequently, the proposal for a contribution scheme would be held in abeyance until the conclusion of the SHL Review and related discussions.

Honorary Degrees

- 0089 The Collegiate Council received a confidential report by the Vice-Chancellor on a number of matters relating to the award of Honorary Degrees of the University (**CC012**) including a tabled paper with a list of persons to receive an honorary degree in 2009 (Appendix **CC012E**).
- 0090 The Collegiate Council was asked to send any nominations for the award of an honorary degree at the Foundation Day 2009 ceremony to the Vice-Chancellor, via the Secretary, in advance of the next meeting on 12 December 2008.
- 0091 Members were asked to note that the re-awarding of a Doctor of Music *honoris causa* on Dame Gillian Weir had been approved by the Collegiate Council by correspondence but that she would not be re-awarded the degree at the Foundation Day 2009 ceremony.
- 0092 It was suggested that it would be helpful to Colleges if a list of upcoming recipients of honorary degrees from the University and from Colleges could be added to the list of current Honorary Graduates at Appendix CC012C.
- 0093 A member of the Collegiate Council expressed concern about the lack of diversity amongst the list of current Honorary Graduates. The Vice-Chancellor commented that this was an issue which the Collegiate Council could now address directly under the new governance arrangements.
- 0094 **AGREED**
- (i) In advance of the meeting of the Collegiate Council on 12 December 2008, members would forward to the Vice-Chancellor, via the Secretary, nominations for the award of an Honorary Degree at the Foundation Day 2009 ceremony for consideration at the meeting.
 - (ii) To note that the proposal, circulated by correspondence on 16 October 2008, to re-award a Doctor of Music *honoris causa* on Dame Gillian Weir had been approved by the Collegiate Council *nem con*.
 - (iii) To amend Regulation 2, paragraph 2, by adding Doctor of Veterinary Medicine (DVetMed) to the list of Honorary Degrees that may be awarded.
 - (iv) To approve the conferment, by the School of Advanced Study, of a Doctor of Literature *honoris causa* on Professor Brian Vickers to be awarded at the School's Graduation Ceremony in 2009.
 - (v) That Collegiate Council members would send to the Secretary any corrections to the list of current Honorary Graduates (Appendix CC012C).

Award of Degrees and Diplomas

0095 The Collegiate Council received and noted a report by the Vice-Chancellor on the award of degrees and diplomas (**CC013**).

Dates of Meeting 2008-09

0096 The Collegiate Council noted the following dates of meetings:

Friday, 12 December 2008 at 8.30am

Friday, 20 February 2009 at 8.30am

Friday, 1 May 2009 at 8.30am

Friday, 3 July 2009 at 8.30am