



University of London  
**BOARD OF TRUSTEES**

Wednesday, 26 January 2011  
4.00 pm  
Room G35, Senate House

## MINUTES

<b>PRESENT</b>	Dame Jenny Abramsky (Chair) Mr Abdul Bhanji Ms Emma Burns Professor Geoffrey Crossick Mr Steven Fogel Professor Jonathan Freeman-Attwood	His Honour Judge Grainger Mr Edward Hartill Mr Maxwell Hutchinson Professor Peter Kopelman Professor David Latchman Mrs Suzanne McCarthy Professor Sir Richard Trainor
<b>APOLOGIES</b>	Mr David Beever	
<b>IN ATTENDANCE</b>	Mr Martin Burchett Mr Richard Cryer Miss Damaris Currie Ms Collette Cushion	Mr Kim Frost Professor Roger Kain <sup>+</sup> Mr Ian Lane* Miss Catherine Swarbrick

<sup>+</sup> Present for BTMM 1073-94 only

\* Present for BTMM 1112-17 only

### Welcome

1073 The Chair welcomed Ms Emma Burns, Professor Jonathan Freeman-Attwood and Professor Peter Kopelman to their first meeting of the Board. She also welcomed Professor Roger Kain, Dean of the School of Advanced Study (SAS), who was attending the meeting to update members in respect of the Warburg Institute.

1074 On behalf of the Board, the Chair congratulated Professor Sir Richard Trainor whose honorary knighthood had recently been made substantive following the recent confirmation of his British citizenship.

### Minutes of the Meeting Held on 29 November 2010

1075 The Board confirmed the minutes of the meeting held on 29 November 2010.

## **Matters Arising**

1076 The Board noted Document BT312 which provided an update on the following matters arising from previous meetings of the Board:

- (i) The Constitution of the University of London Union (ULU) and ULU's registration with the Charity Commission (BTMM 0916-22 of 14 July 2010 refer).
- (ii) The submission of the University's Annual Accountability Returns (BTMM 1031-45 of 29 November 2010 refer).

## **Membership**

1077 The Board noted Document BT313 which confirmed that the Collegiate Council, at its meeting on 1 December 2010, had agreed that Professor Freeman-Attwood should be appointed to the Board for a period of office from 15 January 2011 to 31 July 2014, to fill the vacancy arising from Professor Peter Rigby's retirement.

## **Vice-Chancellor's Report**

1078 The Vice-Chancellor drew members' attention to two recent achievements by University staff:

- (i) Professor Andrew Hussey, Dean of the University of London Institute in Paris had been made an Officer of the Order of the British Empire in the New Year's Honours list, for services to UK/France cultural relations.
- (ii) The award of the Costa Book of the Year Award to Jo Shapcott, Professor of Creative Writing at Royal Holloway, University of London, for her book of poems *Of Mutability*.

1079 The Vice-Chancellor introduced his report, Document BT314, which was accompanied by Appendix BT314A setting out his main activities and meetings since 30 November 2010. The Vice-Chancellor drew attention to the key areas covered by the report: the forthcoming Quality Assurance Agency Institutional Audit of the University; the University Marine Biological Station Millport; the Collegiate Council's discussions on shared services and on the libraries strategy; the Universities Superannuation Scheme; and Board discussions on strategic issues.

## **Strategic Issues**

1080 It was noted that, following the Board's decision to hold discussions on wider strategic issues, the Vice-Chancellor's Executive Group (VCEG) had given further thought to a programme of matters for discussion and had suggested an initial list:

- (i) The University of London International Academy and its potential for further development.
- (ii) Shared services strategy for the University.
- (iii) Senate House Libraries.
- (iv) Centre for Creative Collaboration and its potential.
- (v) The University of London brand and how it is managed.

1081 The Board noted the VCEG's suggestions for taking forward the strategic discussions: either a session an hour before the scheduled start of a Board meeting to discuss a particular topic; or an 'away day' when it could discuss a number of strategic issues. Additionally, it was noted that the Chair of the Board had suggested an alternative option of an informal early evening meeting with discussion focussing on a particular theme, and the Board supported this proposal. The Vice-Chancellor suggested that a short paper and/or oral presentation could be provided as a starting point for discussions.

1082 Members of the Board were content with the list of proposed topics but suggested, in the light of their visit to SAS prior to the Board's meeting, the addition of the School to the list. On a related point, it was suggested that the visit had raised questions about whether the Board received sufficient information about the activities of the School, and it was agreed that further consideration would be given to this matter.

### ***University Marine Biological Station Millport***

1083 Members were advised that efforts to identify and secure the capital funding needed for the redevelopment of the University Marine Biological Station (UMBS) were continuing, and that the Business Plan had been finalised and agreed. Applications to a number of funding bodies were being made. The Board of UMBS would consider the progress of the capital fundraising and the business plan at its meeting on 14 April 2011. It would make a report and recommendations to the Collegiate Council at its meeting on 6 May 2011 and thereafter to the Board of Trustees at its meeting on 25 May 2011. However, it was suggested that it would need to be borne in mind that, as far as the capital fundraising was concerned, some of the funding bodies might not have responded by time of those meetings.

1084 **AGREED**

- (i) That the Board should consider the following six strategic areas:
  - 1. The University of London International Academy and its potential for further development.
  - 2. Shared services strategy for the University.
  - 3. Centre for Creative Collaboration and its potential.
  - 4. Senate House Libraries.
  - 5. The University of London brand and how it is managed.
  - 6. SAS.

- (ii) That the first three items listed in (i) above would be taken forward initially.
- (iii) That informal evening meetings of the Board should be arranged for early spring and early summer 2011 to discuss two of the strategic areas 1-3 listed in (i) above.
- (iv) That consideration should be given to any further information and support which could be provided for the Board on the activities of the School.

### **The Warburg Institute**

- 1085 Members noted Document BT315 which provided an update in relation to the Warburg Institute. The Vice-Chancellor reported that the Dean of SAS, together with other officers, had held meetings with Professor Michael Reeve, Chair of the Warburg Institute Advisory Council, and Professor John Prag, the representative of the Warburg family on the Advisory Council, to discuss the academic development of the Warburg Institute. The most recent meeting, to which the Vice-Chancellor had been invited, had taken place on 20 January 2011, when the Trust Deed had been amongst the matters discussed. It was noted that Professor Reeve had indicated, at that meeting, that the Advisory Council would welcome further clarification regarding why a Scheme was necessary. It had been suggested that there should be further discussions including consideration of the proposal for a new Scheme. All present at the meeting had welcomed this suggestion.
- 1086 The Dean of the School was invited to update members on the three meetings. The Dean reported that discussions had covered a number of areas and that the Director of the Warburg Institute had presented an outline of the Institute's academic strategy. Additionally, the libraries strategy had been discussed. Other areas covered at the meeting had included fundraising and the impact of the forthcoming retirements of two senior members of Institute staff specialising in Art History.
- 1087 The Dean reported that the attendance of the Director of the University of London Research Library Service (ULRLS) at previous meetings had been extremely beneficial. He informed members that the Director's redefinition of 'Option 1A', whereby the individuality of the various libraries was celebrated alongside an emphasis on the sharing of good practice, had resonated with the Institute which had been particularly concerned about the effects of convergence.
- 1088 The Dean drew attention to paragraph 3 of BT315 relating to the recently concluded review of service charges which had made recommendations to the VCEG. He reported that there were some positive outcomes arising from this review in respect of the libraries and the Warburg Institute.
- 1089 The Dean was keen for the process of discussion to continue, with the focus now shifting towards the Scheme. He stressed that the issues under

discussion remained complex. The importance of seeking to manage cost and academic time was highlighted.

- 1090 Members welcomed the ongoing discussions and agreed they should continue. It was noted that, moving forward, the Director of the Warburg Institute had indicated a desire to include additional individuals in the meetings. The Board agreed that it should also be represented, and that two members of the Board should be identified to participate in future discussions. The Board agreed to delegate the appointment of the members to the Chair and officers. It was noted that the Dean would continue to take part and that it was likely that the Director of the ULRIS would also participate. It was suggested that legal advice would be essential in progressing the discussions.
- 1091 The Board agreed that it was important to continue, in parallel, the work on gathering the outstanding information required by Counsel and the finalisation of the legal documentation to accompany the new Scheme. It was suggested that this would be more cost effective and efficient than returning to this work at a later stage.
- 1092 The Chair expressed her gratitude to the Dean and to the Vice-Chancellor for their considerable efforts in taking forward the discussions.
- 1093 The comments earlier in the discussion regarding the new service charge arrangements were noted and a number of queries were raised including the implications of the arrangements for other parties, such as the Colleges, how the report of the review would be taken forward and whether it would be presented to the Collegiate Council. The Vice-Chancellor suggested that this was essentially a management issue to be presented during the normal Budget approval process. He stated that the previously used term 'space charge' had been a misnomer, as charges covered services rather than 'space' occupied. Under the new system, the service charge would be separated from income arising from the estate and the latter would then be allocated on a strategic basis. The libraries, of which the Warburg was one, would benefit from this allocation during 2011-12. The Director of Finance advised that work had been undertaken to ascertain the impact of the new model upon the Colleges and other external clients. The Vice-Chancellor did not envisage any increases in charges for Colleges as a result of the changes.
- 1094 **AGREED**
- (i) That the discussions in respect of the Warburg Institute should continue.
  - (ii) To delegate to the Chair and officers, the identification of two Trustees to serve on the group.
  - (iii) To continue the work on gathering the outstanding information required by Counsel and the finalisation of the legal documentation to accompany the new Scheme.
- 1095 The Dean left the meeting at the conclusion of the item.

## **Finance Report**

1096 The Director of Finance introduced the Finance Report (BT316, Confidential), which incorporated the following appendices:

Appendix BT316A	Monthly Finance Report – December 2010 (Confidential)
Appendix BT316B	Total income and expenditure for the five months to 31 December 2010 (Confidential)
Appendix BT316C	Balance sheet as at 31 December 2010 (Confidential)
Appendix BT316D	Cash flow statement for the five months to 31 December 2010 (Confidential)
Appendix BT316E	Letter from the Secretary of State for Business, Innovation and Skills to the Chairman of the Higher Education Funding Council for England (HEFCE) dated 20 December 2010
Appendix BT316F	Explanation of Transparent Approach to Costing (TRAC)
Appendix BT316G	2009-10 TRAC return (Confidential)
Appendix BT316H	RBS plc proposed Amendment Agreement (Confidential)
Appendix BT316J	RBS plc Conditions Precedent List (Confidential)

## ***Management Accounts and Commentary***

1097 Members considered the detailed management accounts and commentary for the five months to 31 December 2010 (BT316A to D). The Director of Finance reported that the operating performance was substantially in line with budget. A query was raised in respect of the budget for SAS which showed that the School was in deficit by £0.4M for the year to 31 December 2010 which was £0.2M down on its budget. The Director of Finance advised members that he anticipated that the School would be on budget by the end of 2010-11.

## ***Department for Business Innovation and Skills Letter of 20 December 2010***

1098 Members noted the letter to the Chairman of HEFCE, jointly signed by the Secretary of State and the Minister of State for Universities and Science (BT316E). The implications of the letter were due to be considered at HEFCE's board meeting on 28 January 2011. The Board was advised that HEFCE would make an announcement following that meeting setting out, at a sector level, the size of funding changes for 2010-11 and 2011-12 and how those changes would be applied.

## ***Financial Strategy***

1099 The Director of Finance advised the Board that work on the Financial Strategy was ongoing. He expressed his gratitude to Mr Beever and Mr Bhanji for meeting with him on 11 January 2011 to discuss the Strategy.

### **Halls of Residence - Review of Financial Systems**

1100 The Board noted the information in the report on the ongoing review of the financial systems of the Halls of Residence and that members would receive a further progress report at the Board's next meeting.

### **2009-10 TRAC Return**

1101 The Board considered the 2009-10 TRAC Return which had been discussed and recommended for approval by the TRAC Steering Group at its meeting on 17 January 2011. The Board approved the Return.

### **Amendment to the RBS Facility Agreement of 30 November 2007**

1102 In commencing its discussion on the RBS Facility Agreement, the Board noted that Ms Burns was an employee of RBS. However, it was not considered necessary for Ms Burns to leave the room for the discussion.

1103 The Board considered the Amendment Agreement which proposed that, in future, the Vice-Chancellor and the Director of Finance would provide a compliance certificate to RBS in the form detailed in the Agreement. The Board approved the Amendment Agreement as presented.

### **1104 AGREED**

- (i) To approve the 2009-10 TRAC Return at Appendix BT316G.
- (ii) That the terms of the RBS plc Amendment Agreement relating to the University's facility agreement dated 30 November 2007 and conditions precedent thereto be approved.
- (iii) That the Vice-Chancellor and Director of Finance thereby be authorised to execute the said Agreement.

### **Intercollegiate Accommodation Fees**

*BTMM 1105-8 are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

### **Business Change Programme – Termly Report**

1109 The Board received a progress report on the Business Change Programme (BCP). The Programme Sponsor, Catherine Swarbrick, highlighted a number of matters covered in the report, including:

- (i) that 98% of staff savings were being realised, and base targets would be exceeded for 2010-11 and 2011-12;
- (ii) that 99% of the procurement benefits were being realised and, again, base targets would be exceeded for 2010-11 and 2011-12;

- (iii) that others areas of procurement were being reviewed to determine whether additional savings might be made, for example through the negotiation of new travel and stationery suppliers;
- (iv) the significant savings being made in terms of printing, where stretch targets for 2010-11 and 2011-12 were predicted to be exceeded;
- (v) the good progress made to increase income through leasing of space, where 100% of the benefits were being realised. A space audit was being conducted during January and February 2011 with a view to identifying additional space for leasing. It was noted, however, that the pressure on space which would result from the decanting of the Institute of Historical Research from the North Block of Senate House during summer 2011 made it unlikely that significant areas of space would be identified;
- (vi) the work being undertaken with a view to increasing conference income. Conferencing was the key area of focus for 2011. A Business Development Manager was being recruited and would be responsible for changing the Conference Office from a meeting room booking operation to a fully commercial Conference and Events centre. The need to balance carefully the capacity of conferencing needs with the requirements for academic activity was noted; and
- (vii) that the project to introduce a staff Competency Model and Performance Management Framework was progressing well.

1110 It was noted that relatively few of the stretch targets were being met or exceeded. Queries were raised as to whether the original targets had been unrealistic and should, therefore, be revisited. It was agreed that this matter should be referred to the BCP Board for consideration.

1111 **AGREED**

The BCP Board to consider revisiting the stretch targets for the BCP.

**Carbon Management Plan**

1112 The Chair welcomed Mr Ian Lane, Energy Manager, to the meeting for the discussion on this item.

1113 The Board considered Document BT319 on the Carbon Management Plan (CMP). The draft CMP was attached to the report at Appendix BT319A. The Director of Estates and Facilities informed members that the University was grateful for the assistance the Carbon Trust had provided in the production of the Plan.

1114 Mr Lane highlighted some of the areas within the Plan, including the University's aim of achieving a 20% reduction in its carbon emissions by 2015. Members were advised that the capital cost of implementing the CMP was approximately £601k with savings approaching £1.5M envisaged by 2015.

- 1115 The Board's attention was drawn to the various projects which would contribute towards the delivery of the CMP. Members emphasised the need to ensure staff engagement with the Plan, and Mr Lane highlighted a number of steps being taken to promote staff awareness and involvement. The Vice-Chancellor reported that the CMP would be included on the agenda of a future all staff meeting.
- 1116 In response to a query on the financial information in the report, Ian Lane assured members that robust estimates had been used in its preparation. The Board approved the CMP attached at Appendix BT319A.
- 1117 **AGREED**  
To approve the CMP at Appendix BT319A.
- 1118 Ian Lane left the meeting at the conclusion of the item.

### **London Science and Creativity Park**

- 1119 The Vice-Chancellor introduced Document BT320, which updated the Board on a review of the governance arrangements of the London Science and Creativity Park (LSCP) and set out proposals arising from the review. Attached at Appendix BT320A was a report from Mr Neil Gregory, Consultant to the LSCP Steering Group (LSCPSG) and, at Annex BT320A/1, an extract from a report on the governance arrangements of the LSCP considered by the Board in March 2009 (BT075, BTMM 0307-08 refer).
- 1120 The Vice-Chancellor reported that the LSCP had been a considerable success to date, with three Colleges now significantly involved and considerable external engagement. Existing HEFCE funding streams were due to end by 31 December 2011, and a review of the sustainability and scalability of both the Centre for Creative Collaboration at Acton Street and the broader LSCP vision was underway. The Vice-Chancellor advised that, in this context, a more robust governance structure was required moving forward, and proposals to achieve this were set out in the report. The Board approved the recommendations detailed in the report.
- 1121 **AGREED**
- (i) To approve the proposals as set out in section 5 of Appendix BT320A including, in respect of paragraph 5.3, the addition of up to three College representatives to the constitution of the LSCPSG.
  - (ii) That an independent member of the Board should be appointed to serve on the LSCPSG.
  - (iii) To delegate to the Chair and officers the identification and appointment of the independent member to serve on the LSCPSG.

### **University Annual Report 2009-10**

- 1122 The Board received a report on the University Annual Report 2009-10 (BT321). A query was raised as to whether matters such as equality and

diversity and carbon management were included in the Annual Report. The Vice-Chancellor advised that, presently, the Report did not cover these areas, but that a new approach was to be adopted for future reports, whereby the focus would be on the University's activities. This format would provide an opportunity for such matters to be incorporated. The Board approved the Annual Report attached at Appendix BT321A.

1123 **AGREED**

To approve the University Annual Report 2009-10.

### **Equality and Diversity Annual Report**

1124 The Director of Human Resources introduced the annual report on Diversity and Equality for 2009-10 (BT322). He drew attention to paragraph 4 which indicated that the data gathered showed that the University could demonstrate a good level of positive outcomes for a range of minority groups in important areas such as basic pay, training and performance pay.

1125 The Director of Human Resources highlighted the figures relating to the ethnic breakdown of applicants at each stage of the University's recruitment process. It was noted that, during 2009-10, the percentage of ethnic origin applicants had reduced at each stage of the process when compared to the two previous years, with a marked reduction at the offer stage. He advised the Board that the reasons for the reduction were being investigated further to establish whether there were underlying causes to be addressed.

1126 Members commented that there were many positive outcomes arising from the data in the report which should be publicised more widely, both internally and externally. The Director of Human Resources agreed to give this further consideration. The comments in the report regarding the staff survey conducted during 2009-10 were noted and it was confirmed that another staff survey was due to take place shortly.

1127 **AGREED**

That the Director of Human Resources would give further consideration to publicising the outcomes in relation to equality and diversity.

### **Report from the Investments Committee**

1128 The Board considered a report on the business conducted at the Investments Committee meeting of 18 January 2011 (BT323). Attached to the report was Appendix BT323A Managed Cash - Returns for 2010-11 to date.

1129 **AGREED**

- (i) To approve a reduction in the minimum rating for investments in corporate bonds from 'A-' to 'BBB'.
- (ii) That the Committee's existing relationship with the Board, whereby the Board delegated to the Committee responsibility for the monitoring of the University's loan arrangements, should continue for a further year.

### Strategic Risk Register

1130 Members considered a report on the Strategic Risk Register (BT324). The Board approved the Strategic Risk Register attached to the report at Appendix BT324A.

1131 **AGREED**  
To approve the Strategic Risk Register.

### Review of the Effectiveness of Committees and Proposed Amendments to Ordinances

1132 The Board received a report presenting the questionnaire results of the review of the effectiveness of the committees of the Board of Trustees for 2009-10, together with a summary of the Collegiate Council's consideration of the results of the review of its own effectiveness (BT325). Attached at Appendix BT325A were the results of the Reviews of the Effectiveness of the Committees of the Board of Trustees for 2009-10 and, at Appendix BT325B, the results of the Reviews of the Effectiveness of the Collegiate Council and its Committees/Boards for 2009-10.

1133 The Board was reminded that, when it had considered the results of its own review of effectiveness for 2009-10 at its meeting on 20 October 2010 (BTMM 1002-05 refer), it had agreed that the Board and the Collegiate Council should continue to have annual reviews of effectiveness but that other boards and committees did not need to review their effectiveness annually as they met less frequently. The Board had agreed that these boards and committees should adopt a biennial review process. Therefore, at this meeting, to effect this change, the Board agreed an amendment to Ordinance 7 *Committees of the Board of Trustees and of the Collegiate Council* as follows (indicated by underlining and strikethrough as appropriate):

‘17. Each standing committee shall conduct ~~an annual~~ review of its effectiveness at least every two years and make a report to its parent body. The parent body of an ad-hoc committee may also require it to undertake a review of its effectiveness.

18. The Board of Trustees and the Collegiate Council will, in the light of these reports, review the terms of reference, constitution, membership and attendance rates of their respective committees at least every two years ~~on an annual basis~~’.

1134 Members also authorised any further amendments required to Ordinances to effect the change in the frequency of boards’ and committees’ reviews of effectiveness.

1135 **AGREED**  
To approve the proposed amendments to Ordinance 7 (see BTM 1133 above) and to authorise further consequent amendments to Ordinances to be made to effect the change in the frequency of future reviews of effectiveness for boards/committees.

### **Senate House Project**

1136 The Board noted Document BT326 (Confidential), a report from the Director of Special Projects, providing an update on current progress in respect of the Senate House Project. Concerns were expressed at the ongoing difficulties in respect of Phases 2 and 3 of the Project. The Chair of the Senate House Project Board, Mr Edward Hartill, advised the Board that the formal notices served on Tolent, as detailed in the report, had produced some positive outcomes, with the contractor undertaking some further work. Discussions on a possible settlement with Tolent regarding the final account were also progressing. The Board noted that it would receive a report with options and recommendations for Phase 4 of the Project in due course.

### **Remuneration Committee Annual Report 2010-11**

1137 The Board received and noted Document BT327, the Annual Report of the Remuneration Committee for 2010-11.

### **Legislative Update – Bribery Act 2010**

1138 Document BT328 provided an update on the Bribery Act 2010 due for implementation in April 2011. The Board noted the report.

### **Charity Commission Scheme**

1139 Members received and noted Document BT329, a report on the Scheme that the Charity Commission proposed to make with regard to various academic trust funds and the University of London Scholarship Fund. The draft Scheme was attached to the report as Appendix BT329A.

### **ULU Financial Statements and Annual Report for the Year Ended 31 July 2010**

1140 The Board received and noted the ULU Financial Statements for the Year Ended 31 July 2010, together with the Report of the ULU Board of Trustees for the same period (BT330 and BT330A).

### **New Year Honours**

1141 Document BT331 updated the Board on awards to members of the University in the New Year Honours List 2011. Members noted the report.

### **Action Taken under Delegated Authority**

1142 The Board noted the action taken under delegated authority since that reported to its previous meeting on 29 November 2010, as detailed in Document BT332.

## Sealings

- 1143 Members received and noted a report from the Vice-Chancellor on sealings of documents (BT333).

## Dates of Future Meetings

- 1144 Members noted the dates of future meetings of the Board as follows (all meetings would commence at 4.00 pm).

### **2010-11**

Wednesday, 30 March 2011

Wednesday, 25 May 2011

Wednesday, 13 July 2011

### **2011-12**

Monday, 10 October 2011

Monday, 21 November 2011

Wednesday, 25 January 2012

Wednesday, 28 March 2012

Wednesday, 23 May 2012

Wednesday, 18 July 2012

## Other Business

- 1145 The Chair advised members that the Secretary to the Board, Catherine Swarbrick, had confirmed that she would be retiring from the University at the end of March 2011. The Chair paid tribute to Miss Swarbrick highlighting her many achievements during her time at the University, including the introduction of the current governance structure in August 2008; the refurbishment and rewiring of Senate House; and the Business Change Programme. In response, Miss Swarbrick stated that one of the achievements of which she was most proud was the streamlined governance structure now in place, including a Board of Trustees with 14 members, a large reduction on the former Council of approximately 70 members. She expressed her gratitude to the Board for all its support.